

MARYLAND HIGHER EDUCATION COMMISSION

EDUCATION POLICY COMMITTEE

MEETING AGENDA

Time: 10:00 A.M.

Date: Wednesday, March 13, 2002

Place: Commission Conference Room
Fourth Floor, 16 Francis Street
Annapolis, Maryland 21401

MARYLAND HIGHER EDUCATION COMMISSION

John J. Oliver, Jr., Chairman

Dorothy Dixon Chaney

Edward O. Clarke, Jr.

Micah Coleman

Anne Osborn Emery

John L. Green

George S. Malouf, Jr.

David S. Oros

R. Kathleen Perini

Charles B. Saunders, Jr.

Donald J. Slowinski, Sr.

Richard P. Streett, Jr.

Karen R. Johnson
Secretary of Higher Education

**MARYLAND HIGHER EDUCATION COMMISSION
EDUCATION POLICY COMMITTEE
MEETING AGENDA**

TIME:	10:00 A.M. Wednesday March 13, 2002	PLACE:	Fourth Floor Conference Room 16 Francis Street Annapolis, Maryland 21401
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Call to Order		
Approval of January 16, 2002 Minutes	1	*
Institutional Name Change Request from Garrett Community College	7	*
Modifications to Policies and Procedures for Private Career Schools	19	*
Assessment of Teacher Education Programs (Preliminary Report)	55	*
Collaborative Doctoral Programs (Business & Education)...	57	
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MINUTES

EDUCATION POLICY COMMITTEE MARYLAND HIGHER EDUCATION COMMISSION Annapolis, Maryland

January 16, 2002

Members Present

**Charles B. Saunders, Jr.
Edward O. Clarke, Jr.
Dorothy Dixon Chaney
Anne Osborn Emery
John L. Green**

Staff Present

Karen R. Johnson	Pace J. McConkie	Michael J. Kiphart
John A. Sabatini, Jr.	Michael Keller	Dominique Raymond
Janice B. Doyle	David E. Sumler	Rose Potter

CALL TO ORDER

Commissioner Saunders called the meeting to order at 10:00 a.m.

APPROVAL OF MINUTES

Commissioner Chaney stated that a sentence in the October 10, 2001 Education Policy Committee minutes (last sentence of paragraph 3, page 3 in the January 16th Agenda Book), that is in a paragraph referring to an Anne Arundel Community College survey should be moved to a paragraph referring to the Maryland Workforce Educational Needs Assessment Survey. Commissioner Saunders stated that the minutes would stand as corrected.

A motion to approve the amended October 10, 2001 Education Policy Committee minutes was made and seconded. The motion was unanimously approved and carried.

Postponement of the Amendments to the Maryland Higher Education Commission Requirements (In-State and Out-of-State) Regarding Waivers for Full-Time Faculty and Library Waivers

Dr. Sabatini reported on the meeting that was held on November 13, 2001 with the institutional and segmental representatives to discuss the proposed language changes for faculty and library waivers. The representatives requested a postponement of amendments to the faculty definition and waiver requirements. The representatives concluded that the definition of the full-time faculty was appropriate and they consider the current faculty waiver criteria adequate. In regards to the library waiver, the representatives would like to delay for one year the proposed changes

to the library requirements since the American Library Association (ALA) is in the process of rewriting its standards. The Commission staff, therefore, recommends a postponement of the faculty definition and waiver requirements and a delay of the library requirements until next year, after the revisions of the ALA's standards are complete. Dr. Sabatini said the recommendations are two-fold: one pertains to in-state institutions and the other to out-of-state institutions.

Commissioner Clark requested that Commission staff prepare a short report listing waivers that have thus far been granted. He stated the report should reflect that most of the waivers are conditional, requiring periodic review or some further compliance. The purpose of the report would be to allow the Education Policy Committee to see what waivers have accomplished and how they've been monitored. Dr. Sabatini stated the Commission's approval for those waivers were always conditional with periodic reports. Dr. Sabatini added that institutions are in favor of removing the conditional provisions, citing University of Maryland University College and Baltimore Hebrew University as examples. He said both institutions have indicated they are moving in the direction of hiring more full-time faculty and that at some point will ask the Commission to withdraw their provisional waivers.

In regards to the Commission staff's recommendation on this agenda item, Commissioner Saunders stated that the question of amending the waiver requirements was initially raised by the Education Policy Committee, and had not reached the full Commission; therefore, there is no need to forward it as an action item for the Commission. He advised a revision of the recommendation to indicate that the Education Policy Committee, which initiated the review, "accepts" all of the issues listed in the staff's recommendation.

Commissioner Clark requested that Commission staff receive feedback from Commissioners prior to receiving feedback from segmental representatives on items to be presented to the Commission. Motion made to accept the revised recommendation. The recommendation was unanimously carried.

Low-Productivity Degree Program Report 2001

Dr. Michael Kiphart stated that the report is presented in two major sections. The first section contains the history and a summary listing by institution of the individual programs that were identified last year. The second section includes institutional responses to the programs identified. Dr. Kiphart said the recommended actions were included in the institutional list for each individual program. This is the second report using the new criteria that were adopted last year for identifying programs with low-degree production. For associate degree programs the institutions are required to have five (5) graduates in the most recently reported year or fifteen (15) graduates over the last three (3) years; Baccalaureate is five (5) graduates for the past year or fifteen (15) over the past three (3) years; Master Degrees is two (2) or six (6) over the last three (3) years; and Doctoral Degrees is one (1) or three (3) over the last three (3) years.

Last year, the 2000 report identified 168 programs with low-productivity. Of those, 81 were from community colleges and 87 were from four-year institutions. Last year, 31 of those programs were recommended for discontinuation and 108 were recommended for exemption. There were 139 programs that were not available for review this year because they were discontinued or exempted last year.

This year, thirty-nine (39) programs were identified, twenty (20) at community colleges and nineteen (19) at four-year institutions. The community colleges recommended that five (5) programs be discontinued, eight (8) were recommended for exemption, and seven (7) are listed in the other category. The institutions requested that they be able to maintain a program to improve the program or to further study the program prior to making a decision for discontinuance or exemption. The four-year institutions did not discontinue any of the nineteen (19) programs identified but they did recommend nine (9) for exemption and ten (10) to be maintained.

Dr. Kiphart said that the institutions that recommended maintaining programs cited new facilities, enhanced marketing of the programs, new administration, new faculty, and resource improvement as reasons for maintaining the programs. All programs that are being maintained will be eligible for review for this report again next year.

Dr. Kiphart read the recommendation that the Education Policy Committee recommended that the Maryland Higher Education Commission approve the program discontinuances, exemptions, and program extensions presented in the Low-Productivity Degree Program Report 2001.

Commissioner Clarke proposed that the cover memorandum to the full Commission for the low-productivity degree report should include a statement stating that the Commission does not make any determination regarding the quality of a University System of Maryland (USM) academic program at the time that a program is approved or during the low-productivity review. Discussion took place regarding Commissioner Clarke's proposal. The Committee members unanimously supported a recommendation that the Commission staff add text to the cover memorandum for the Commission meeting that captured Commissioner Clarke's comments regarding the review of academic program quality for USM institutions.

A motion to approve the Low-Productivity Degree Program Report 2001 was made and seconded. The motion was unanimously approved and carried.

Access and Success Multi-Year Grant Program Update

Dr. Sabatini distributed a summary report of the 2nd-year retention and 6-year graduation rates for African-American students, stating that while there is a narrowing in the gap between African-American rates versus other students, there is still much work to be done. He gave a brief description of the Access and Success Grant, which began in FY 1999 and disbursed \$2 million among the State's four historically black institutions (HBIs), and has a budget request for \$6 million in FY2003. The State's four historically black institutions (HBIs), Bowie State University, Coppin State College, Morgan State University and University of Maryland Eastern Shore, receive funds to improve retention and graduation rates and to narrow the achievement gap between African Americans and white students through improved retention programs and initiatives. Dr. Sabatini assured Commissioner Saunders that the summary report would also be distributed to the full Commission.

Ms. Dominique Raymond introduced the campus representatives from the four HBIs, stating that each institution would be given 15 minutes to present the past year's highlights of their respective retention activities' successes achieved through the Access and Success Grant.

Bowie State University (BSU)

Presenters: Dr. Virginia Guilford, Associate Vice President for Academic Affairs; Dr. Cheryl Blackman, Chair, Department of Psychology, Assistant Dean of the School of Professional Studies and Chair of the Student Retention Advisory Board.

Dr. Guilford introduced Dr. Blackman, stating that the presentation would focus on BSU's retention activities from the previous six months since a detailed report of the previous year's activities would be submitted to Commission staff on January 31st. Dr. Blackman reported that BSU's retention theme for the 2001-2002 academic year is *Retaining Students at BSU: Renewed Commitment, Aggressive Monitoring, and Significantly-Enhanced Accountability*, with its overall goal being that BSU will document a minimum of 85% of the fall 2001 cohort per department and would continue to matriculate at the university by fall 2002. Steps to ensure this goal's success includes academic advisors for each fall 2001 student with proof that advising occurred at least once a semester, and with the implementation of a Tutoring Information Management System (TIM) to track the effectiveness of student services. Dr. Guilford concluded the presentation briefly speaking of BSU's ongoing retention model which is linked to the Retention Advisory Board, and how it relates to student development, academic support and administrative support services, academic departments, the Center for Excellence in Teaching and Learning, Bridge Programs, and assessment and evaluation. The Office of Outcomes Assessment will be responsible for monitoring this retention model.

Coppin State College (CSC)

Presenters: Dr. Herman Howard, Provost and VP for Academic Affairs; Dr. Mary Owens, Dean for Graduate Studies.

Dr. Owens stated that CSC's primary goal with its Access and Success program is to ensure the design and implementation of an effective intervention system that will assist students in assimilating into the academic and social systems of the College, and its purpose is to increase the student rate of persistence towards graduation by using approaches that focuses on the needs of students and helps to clarify their educational and career goals. Areas of focus include Academic Affairs, Student Life/Student Support Services and other academic areas involved in General Education Requirements. The program's goals and benchmarks include: 30% rate of graduation by the sixth year of the 1995 cohort; second year retention rate of 73%; use of retention moneys to increase efforts placed on retaining students through the 3rd, 4th and 5th years, and; targeting specific activities for students in the remaining cohorts. Dr. Owens concluded her presentation by listing the Access and Success outcomes in terms of student life administration and finance and mentoring program outcomes.

Morgan State University (Morgan)

Presenter: Dr. Jay Chunn, Associate Vice President for Academic Affairs.

Dr. Chunn provided an overview of Morgan's Access and Success programs, stating that the 2000-2001 academic year included expanding tutoring programs, enhancing the educational programs in residence halls, strengthening advising programs and enhancing monitoring of student progress, and preparing for the expansion of the Access-Success Summer Bridge Program. Highlights of Dr. Chunn's presentation included reports on the 29 tutor positions as funded in the Access-Success Program; the Access-Success Summer Bridge Program; and academic advisement of the Undeclared Majors and Freshman Studies Program performed by the Comprehensive Program for Undeclared Majors administered by the Advising Center. Dr. Chunn concluded his remarks with charts and graphs highlighting academic progression among the Access and Success Bridge students, particularly in the disciplines of English, Reading and Math.

University of Maryland Eastern Shore (UMES)

Presenters: Dr. Jackie Thomas, President; Dr. Bernita Sims-Tucker, Director, Office of Retention.

Dr. Thomas began by stating that the two keys to retention at UMES are student success and student satisfaction. Dr. Sims-Tucker presented the ongoing Access and Success initiatives, including entry-level Math courses, Math tutoring, specialized computerized software for Math and English, discipline specific tutoring, and writing workshops. She also spoke of other retention activities, including UMES' Early Alert Program, Academic Support, Summer Jump Start, and the Graduate School Standardized Test Preparation. Dr. Sims-Tucker concluded by speaking of the projected outcomes for UMES, including pass rates of students retaking the English Proficiency Examination projected at 80% or better; pass rates of Math tutees at 75% or better, and; pass rates for students receiving peer tutors at 80%.

After the presentations, Commissioner Clark asked how the academic advisory portion differed from the mentoring, to which Dr. Guilford replied mentoring deals with the non-academic aspects of student life. Commissioner Green commended all of the presenters for providing quantifiable data. Commissioner Saunders asked whether the institutions have worked closely with Dr. Michael Keller in compiling their data.

Commissioner Emery asked whether students have access to psychologist and social workers, since it was not mentioned in any of the reports or presentations. UMES responded that they have a health and wellness program that incorporates faculty and staff to the psychological services for students. They also stated that while they have no social services office on campus, they have access to social services in Somerset County. Morgan responded that students have access to trained psychologists as needed, and that a full-time counselor is assigned to each incoming student. BSU stated that they have psychological services covered, but not the social work aspect, and CSC stated they have a Black Family Center that provides psychological services, but no social services in place on their campus.

Commissioner Emery asked the CSC presenters, are the same Access and Success retention activities being offered to students who are part of the program but do not live in the residence halls, to which Dr. Owens responded that commuter students are invited to participate, but the resident hall program is only for 40 students.

Commissioner Saunders thanked the presenters.

This item is for information only.

Coppin State College Strategic Plan

Dr. Sabatini distributed the Coppin State College Strategic Plan Committee membership list, stating that he, along with Assistant Secretary Janice Doyle, four representatives from the University System of Maryland (USM) and 16 representatives from Coppin State College (Coppin) served on this committee. He stated that the Strategic Plan will be completed this month and will be presented to the Commission on February 12th, and to the USM Board of Regents in the coming weeks.

The Strategic Plan tracks closely the priorities and goals stated in the Study of the Revitalization of Coppin, chaired by Dr. John Toll, President, Washington College. Dr. Sabatini also stated that the Strategic Plan would address issues raised by the Commission regarding Baltimore City's commitment to Coppin, the institution's partnership with the Center for Urban Education Renewal and the enhancement of Academic programs, particularly the discipline of criminal justice.

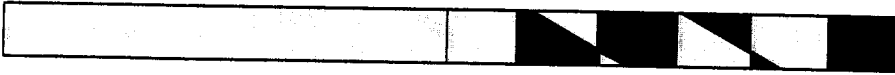
This item is for information only.

Other Business

Referring to a January 13, 2002 letter addressing Morgan State University's objection to University of Maryland Baltimore County (UMBC) offering a Master's and doctoral programs in Computer Engineering, Commissioner Clark asked what is the Commission's procedure for responding to objections. Dr. Sabatini replied that the procedure for objections will follow the applicable statute and regulations; and stated that the Commission has delegated authority to the Secretary to resolve any objections and to approve or disapprove programs. He further added that the final decision rests with the Commission if an appeal is requested of either institution.

Adjournment

Commissioner Saunders called for a motion to adjourn; it was seconded and approved. The meeting adjourned at 12:35 p.m.



Parris N. Glendening
Governor

John J. Oliver, Jr.
Chairman

Karen R. Johnson
Secretary of Higher Education

MEMORANDUM

DATE: March 13, 2002

TO: Education Policy Committee

FROM: Karen R. Johnson, J.D.

STAFF: Dr. John A. Sabatini, Jr.

SUBJECT: Institutional Name Change Request from Garrett Community College

Citing an effort to stimulate enrollment growth at Garrett Community College (GCC), the Board of Trustees and campus administrators of GCC request that the Education Policy Committee approve the renaming of the institution to "Garrett College." Submitted under separate cover, the report, *Case for "Garrett College,"* provides data on declining demographic and socio-economic factors for Garrett County and suggests that by removing "Community" from the institution's name, GCC's recruitment efforts would improve greatly by attracting potential students from Pennsylvania and West Virginia, Garrett County's two largest border regions.

RECOMMENDATION: It is recommended that the Education Policy Committee recommend to the Maryland Higher Education Commission approval to rename Garrett Community College to Garrett College.

CASE

for

“GARRETT COLLEGE”

prepared for

Education Policy Committee
Maryland Higher Education Commission
March 13, 2002



Garrett Community College is requesting approval from the Maryland Higher Education Commission of an institutional name change. Garrett is proposing that its new name be "Garrett College." The reasons for this request are as follows:

Geography

Garrett is located at the westernmost tip of the Maryland panhandle. Its shortest border connects it to the State of Maryland. Its longer borders on three sides are with West Virginia and Pennsylvania. Since its inception GCC has functioned as a regional college. Its historic name suggests a more local orientation, however.

Enrollment Factors

Garrett is not experiencing enrollment growth. Several reasons account for this condition:

1. Rural and sparsely populated, Garrett County has a total population of 30,000. Although the county is expected to grow slowly at a rate of less than 1% per year, its growth is primarily among retirees (Table 1). Its high school graduate population has declined sharply (Table 1); its 22-45 year old age group is outmigrating, and demographic information suggests that data for these two cohorts will not reverse in the foreseeable future (Table 1). Yet these cohorts comprise the bulk of Garrett's student population.
2. Garrett is experiencing historically low unemployment rates (Tables 2 and 3) although unemployment remains very high in relationship to the State as a whole. Despite a decrease in unemployment, wages remain near the lowest in the State (Table 4). According to a rule of thumb in community college education, an inverse relation exists between community college enrollments and employment. Students, especially in poorer jurisdictions, choose income opportunities over college.
3. Garrett's median household income is third lowest in Maryland, yet its tuition rate exceeds the statewide average. The college fears that it is surpassing the limit of affordability for its service region as the attached Affordability Index shows (Table 5). In consequence the Board of Trustees is committed to holding the line on tuition. However, GCC cannot afford to achieve this goal at the cost of lost tuition revenue. The only viable solution is through enrollment growth despite decline in the primary college going age groups within the service region. For this reason the college must position itself to attract more out-of-county and

out-of-state students.

Signature Programs

Garrett has the ability to attract out-of-county and out-of-state students. It has four signature programs with regional and national appeal: Agricultural Management (with an emphasis on alternative agriculture), Adventure Sports (unique in the United States), Natural Resources and Wildlife Technology (unique in the four state region), and Juvenile Justice (unique in Maryland). All four of these programs are statewide designated.

Current and Proposed Name

Due to its signature programs the college believes that it can attract a larger audience from within the state and beyond. But its current name is an impediment. It suggests a local emphasis that has little significance or benefit to a student from outside the county. Since these students pay a premium to attend GCC, they would like to earn a collegiate credential which is neutral with respect to local role and geography and which can better enhance their career opportunities in the national marketplace.

Although the college understands and respects this interest on the part of students from outside Garrett County, it is also mindful of its primary mission as a community college serving the higher education needs of Garrett Countians, who take pride in and support their college. For this reason Garrett has selected a title that reflects its historical legacy and mission as a local collegiate institution. In this way the proposed title serves two purposes: it signifies the abiding relationship between the college and its county, and it meets the needs of a wider marketplace.

Garrett believes that the proposed name change will serve its local citizens better. To the extent that GCC can attract students from outside Garrett County, it generates tuition revenue that can help support educational services and enhancements for the local population. In this spirit Garrett Community College respectfully requests approval of its proposed name change.

sjh:1A:Name Change1:2-7-02

Table 1

Garrett County

DEMOGRAPHIC AND SOCIO-ECONOMIC OUTLOOK

	1970	1980	1990	2000	2005	2010	2015	2020	2025	2030
Population Characteristics:										
Total Population	21,476	26,498	28,138	29,846	30,800	31,600	32,250	32,850	33,400	33,900
Male	10,612	13,096	13,723	14,708	15,140	15,510	15,810	16,050	16,290	16,520
Female	10,864	13,402	14,415	15,138	15,660	16,090	16,450	16,790	17,110	17,390
White *	21,338	26,340	27,971	29,496	30,400	31,150	31,760	32,310	32,820	33,270
Nonwhite *	138	158	167	350	400	450	500	530	580	640
Selected Age Groups:										
0-4	1,943	2,045	1,958	1,810	1,690	1,730	1,750	1,730	1,670	1,650
5-19	6,552	7,157	6,529	6,501	6,380	6,120	5,840	5,750	5,820	5,830
20-44	5,992	9,069	10,168	9,745	9,380	9,020	9,070	9,090	9,210	9,050
45-64	4,523	5,067	5,655	7,329	8,540	9,380	9,530	9,350	8,590	8,320
65+	2,466	3,160	3,828	4,461	4,810	5,360	6,060	6,930	8,110	9,050
Total	21,476	26,498	28,138	29,846	30,800	31,600	32,250	32,850	33,400	33,900
Total Household Population	21,175	26,001	27,660	29,229	30,138	30,899	31,517	32,071	32,560	32,979
Total Households	6,315	8,764	10,110	11,476	12,025	12,600	13,100	13,525	13,925	14,275
Average Household Size	3.35	2.97	2.74	2.55	2.51	2.45	2.41	2.37	2.34	2.31
Labor Force:										
Total Population 16+	14,500	19,300	21,410	23,310	24,480	25,540	26,320	26,910	27,480	28,040
In Labor Force	6,980	10,610	12,700	13,760	14,380	14,750	14,810	14,560	14,320	14,280
% in Labor Force	48.1	54.9	59.3	59.1	58.7	57.8	56.3	54.1	52.1	50.9
Male Population 16+	7,030	9,460	10,270	11,340	11,880	12,410	12,780	13,030	13,280	13,540
In Labor Force	4,900	6,750	7,340	7,750	7,980	8,150	8,160	8,010	7,880	7,860
% in Labor Force	69.8	71.4	71.4	68.4	67.2	65.7	63.8	61.5	59.3	58.1
Female Population 16+	7,470	9,850	11,130	11,970	12,600	13,140	13,540	13,870	14,200	14,500
In Labor Force	2,070	3,850	5,360	6,010	6,390	6,600	6,650	6,540	6,440	6,420
% in Labor Force	27.7	39.1	48.1	50.2	50.7	50.3	49.1	47.2	45.3	44.3
Jobs by Place of Work (1,000): *										
Farm	0.8	0.9	0.9	0.8	0.7	0.7	0.6	0.6	0.6	0.6
Ag. Serv., For., Fish., & Other	0.1	0.1	0.1	0.2	0.3	0.3	0.3	0.3	0.3	0.3
Mining	0.2	0.9	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4
Construction	0.3	0.5	1.1	1.4	1.5	1.5	1.5	1.6	1.6	1.6
Manufacturing	0.6	1.4	1.9	1.3	1.3	1.3	1.2	1.2	1.2	1.2
Transportation & Public Utilities	0.3	0.4	0.5	0.9	0.9	0.9	1.0	1.0	1.0	1.0
Wholesale Trade	0.3	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6
Retail Trade	1.2	1.7	2.8	3.3	3.4	3.5	3.6	3.6	3.7	3.7
Finance, Insurance & Real Estat	0.3	0.4	1.0	1.6	1.7	1.8	1.9	2.0	2.0	2.0
Services	1.2	1.9	3.3	5.4	6.1	6.6	6.8	6.9	7.0	7.2
Government	1.3	1.5	1.5	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Income Characteristics:										
Personal Inc. (mill. constant 92\$)	\$187.4	\$328.3	\$410.8	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Per Capita Income (constant 92\$)	\$8,674	\$12,361	\$14,557	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Household Income (current \$)										
Median	1990	1997	1998	1999	Mean	1990	1997	1998	1999	
	\$23,300	\$28,100	\$29,400	\$30,800		\$28,800	\$35,600	\$37,400	\$39,300	
Housing Units Authorized for Construction:										
	1990-2000	1990-1995	1996-2000	1995	1996	1997	1998	1999	2000	
Total	2,922	1,702	1,220	275	222	295	211	239	253	
Single Family	2,793	1,601	1,192	275	222	269	209	239	253	
Public School Enrollment:										
	1990	1995	1999	2000	2001	2002	2003	2004	2005	2010
Total	5,031	5,078	4,833	4,813	4,800	4,780	4,780	4,750	4,710	4,400
Primary School (K-6)	2,935	2,746	2,709	2,724	2,710	2,650	2,590	2,540	2,430	2,310
Secondary School (7-12)	2,096	2,332	2,124	2,089	2,090	2,130	2,200	2,220	2,280	2,100

* (D) = Not shown to avoid disclosure of confidential information; (L) = less than 50 jobs. NA = not available.

* For 2000 to 2030 white population is equal to "white alone," and non-white population is equal to "all other races."

SOURCE: Projections prepared by the Maryland Department of Planning, Planning Data Services as of September, 2001, for the period 2005 to 2030. Historical population households, housing units authorized for construction, income and labor force data are from the U.S. Bureau of the Census; 1990 population is based on modified age, race sex data (MARS). Personal and per capita income are from the U.S. Bureau of Economic Analysis. Historical jobs data through 1990 is from U.S. Bureau of Economic Analysis (BEA) CA25 jurisdictional data controlled to U.S. BEA SA25 data for Maryland. Historical (1990-2000) school enrollment is from the Maryland State Department of Education.

Table 2

**REGIONAL DATA - 1990 TO 2000 ANNUAL AVERAGES
CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
BY PLACE OF RESIDENCE**

Area	1990	1991	1992	1993	1994	1995	1996	1997	1998*	1999*	2000*
Western Maryland											
Labor Force	107,644	109,530	111,809	112,543	111,204	113,503	118,012	118,090	115,781	113,840	114,222
Employment	98,221	98,395	99,544	101,254	102,281	104,826	109,923	109,325	108,336	108,083	108,374
Unemployment	9,423	11,135	12,265	11,289	8,923	8,677	8,089	8,765	7,445	5,757	5,848
Rate	8.8	10.2	11.0	10.0	8.0	7.6	6.9	7.4	6.4	5.1	5.1
Allegany County											
Labor Force	32,794	32,991	33,445	32,897	32,404	32,856	33,380	33,511	32,791	32,241	32,440
Employment	29,008	28,999	28,988	29,065	29,305	29,764	30,459	30,191	29,864	29,936	29,899
Unemployment	3,786	3,992	4,457	3,832	3,099	3,092	2,921	3,320	2,927	2,305	2,541
Rate	11.5	12.1	13.3	11.6	9.6	9.4	8.8	9.9	8.9	7.1	7.8
Garrett County											
Labor Force	13,607	13,524	13,741	13,976	13,716	14,063	14,644	14,562	14,409	13,504	13,453
Employment	12,272	11,859	11,903	12,180	12,233	12,588	13,099	12,566	12,838	12,364	12,307
Unemployment	1,335	1,665	1,838	1,796	1,483	1,475	1,545	1,996	1,571	1,140	1,146
Rate	9.8	12.3	13.4	12.9	10.8	10.5	10.6	13.7	10.9	8.4	8.5
Washington County											
Labor Force	61,243	63,015	64,623	65,670	65,084	66,584	69,987	70,018	68,582	68,094	68,329
Employment	56,941	57,537	58,653	60,009	60,743	62,474	66,365	66,568	65,635	65,783	66,168
Unemployment	4,302	5,478	5,970	5,661	4,341	4,110	3,622	3,450	2,947	2,311	2,161
Rate	7.0	8.7	9.2	8.6	6.7	6.2	5.2	4.9	4.3	3.4	3.2

*Revised, May, 2001

Last Updated on 5/10/01

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01-10-02 Republican
**GC Unemployment
 Rate Up In Nov.;
 Down From 2000**

Despite increasing by nearly 1 percent over the previous month, November 2001 unemployment statistics for Garrett County still indicated a marked decline in the unemployment rate from November 2000. That finding is in direct contrast to this past November's unemployment rates for Maryland and the nation as a whole, both of which increased over the past year.

The county's unemployment rate was measured at 6.4 percent in November 2001, up from a 5.5 percent figure for October; however, the local unemployment rate for the same month the previous year was 8.2 percent. Reductions in construction and services employment were cited as causing unemployment to rise across western Maryland during November.

Maryland's unemployment figure dropped slightly from 4.3 percent in October to 4.2 percent in November, while at the same time the national rate rose from 5.0 percent to 5.3 percent. November 2000 unemployment rates for the state and nation were both tallied at 3.8 percent.

The holiday season got off to a slow start for the state as a whole, with retailers reflecting their concern over restrained consumer spending and curbing hiring. The weak employment situation, compounded by weather-related slowdowns

in seasonal injuries, caused employment levels to subside. Employment reductions, however, were moderated by labor force declines which helped to ease the unemployment rate down.

During November, Maryland hiring activity, while much slower than the norm, was centered primarily in the retail trade. Among retailers, job gains were reported at general merchandise stores, in miscellaneous retail establishments such as card, book, and jewelry stores, and in restaurants. Hiring in retail trade was complemented by upturns in select services and insurance industries, and by further recalls in education.

"Maryland's economy remains strong and continues to surpass that of the national economy," Governor Parris Glendening remarked. "Our prudent fiscal decisions have allowed the state to weather the economic slowdown now being felt by other states across the nation. We will continue to work hard to provide our citizens with the opportunity to obtain good, family-supporting jobs and to ensure Maryland families continue to enjoy a better quality of life."

Source: The Republican
 Garrett County weekly newspaper
 Oakland, Maryland

Table 4

EMPLOYMENT AND WAGES BY COUNTY

TOTAL EMPLOYMENT

[Return to Total Employment Main Page](#)
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STATE BY COUNTY	SECOND QUARTER 2001						
	Number of Reporting Units	Monthly Employment			Quarterly Average Employment	Total Wages	Average Weekly Wage Per Worker
		First	Second	Third			
STATE OF MARYLAND	147,788	2,415,011	2,436,415	2,462,292	2,437,906	\$22,693,043,249	\$716

ALLEGANY	1,769	30,065	30,192	30,285	30,181	186,439,299	475
ANNE ARUNDEL	12,373	200,125	201,159	203,538	201,607	1,823,064,559	696
BALTIMORE CITY	14,453	380,722	382,500	384,513	382,578	3,739,975,753	752
BALTIMORE COUNTY	19,387	359,047	360,897	363,748	361,231	3,150,299,400	671
CALVERT	1,506	17,859	18,118	18,623	18,200	136,822,523	578
CAROLINE	634	8,433	8,519	8,672	8,541	51,405,422	463
CARROLL	3,991	48,367	48,586	49,448	48,800	336,350,862	530
CECIL	1,640	25,689	26,138	26,352	26,060	224,626,691	663
CHARLES	2,515	36,401	36,619	37,085	36,702	262,417,449	550
DORCHESTER	724	11,262	11,484	11,790	11,512	73,017,778	488
FREDERICK	4,927	79,571	80,372	81,238	80,394	643,547,535	616
GARRETT	879	10,235	10,497	10,821	10,518	58,374,238	427
HARFORD	4,654	70,228	71,068	71,788	71,028	547,671,464	593
HOWARD	7,207	132,291	133,176	134,670	133,379	1,295,393,349	747
KENT	704	8,036	8,202	8,228	8,155	48,074,318	453
MONTGOMERY	29,890	448,220	450,909	456,983	452,037	5,088,568,263	866
PRINCE GEORGE'S	14,402	303,880	306,562	306,632	305,691	2,930,843,560	738
QUEEN ANNE'S	1,200	11,162	11,474	11,718	11,451	68,839,668	462
SAINT MARY'S	1,757	34,042	34,203	35,109	34,451	324,375,427	724
SOMERSET	456	6,779	7,144	7,071	6,998	45,448,558	500
TALBOT	1,603	18,577	19,034	19,317	18,976	126,767,756	514
WASHINGTON	3,148	63,507	64,000	64,529	64,012	444,879,851	535
WICOMICO	2,486	42,001	42,076	42,512	42,196	290,967,105	530
WORCESTER	2,133	21,837	24,722	29,747	25,435	129,191,968	391
NONDISTRIBUTABLE	13,350	46,675	48,764	47,875	47,771	665,680,453	1,072

BALTIMORE MSA	63,265	1,201,942	1,208,860	1,219,423	1,210,075	10,961,595,055	697
MARYLAND PORTION OF DC MSA	53,240	885,931	892,580	900,561	893,024	9,062,199,330	781

Table 6

AFFORDABILITY AS A RATIO OF COUNTY MEDIAN HOUSEHOLD INCOME (1999) TO COMMUNITY COLLEGE ANNUAL FULL-TIME TUITION (FY 2001)

MARYLAND COMMUNITY COLLEGE	MEDIAN COUNTY HOUSEHOLD INCOME 1999 <small>US Census</small>	RANK	ANNUAL IN-COUNTY FULL-TIME TUITION FISCAL YEAR 2001 <small>2001 MAGC Databook</small>	RANK	RATIO	RANK
Allegany College of Maryland	\$27,700	16	\$2,550	16	0.09206	16
Anne Arundel Community College	63,700	3	1,800	2	0.02826	1
Baltimore City Community College	31,700	14	1,800	2	0.05678	14
Community College of Baltimore County	51,700	9	1,800	2	0.03482	6
Carroll Community College	62,100	4	2,160	9	0.03478	5
Cecil Community College	48,400	10	1,800	2	0.03719	8
Caroline	37,200					
Dorchester	33,600					
Kent	43,200					
Queen Anne's	57,400					
Talbot	46,600					
Chesapeake College Service Area Average	43,600	11	1,950	7	0.04472	11
Charles	59,700					
St. Mary's	61,800					
Calvert	61,800					
College of Southern MD Service Area Average	61,100	6	2,190	11	0.03584	7
Frederick Community College	61,400	5	2,438	15	0.03971	9
Garrett Community College	30,800	15	2,220	12	0.07208	15
Hagerstown Community College	40,300	12	2,100	8	0.05211	12
Harford Community College	59,200	7	1,800	2	0.03041	2
Howard Community College	77,000	1	2,430	14	0.03156	4
Montgomery College	68,500	2	2,160	9	0.03153	3
Prince George's Community College	55,000	8	2,250	13	0.04091	10
Wicomico	36,400					
Worcester	30,500					
Somerset	31,800					
Wor-Wic Service Area Average	32,900	13	1,740	1	0.05289	13

1999 STATE OF MARYLAND MEDIAN HOUSEHOLD INCOME

\$53,300

FY 2001 SYSTEMWIDE TUITION AVERAGE

\$2,074

STATEWIDE RATIO

0.03891



Parris N. C

John J

Karen
Secretary of High

MEMORANDUM

DATE: March 13, 2002

TO: Education Policy Committee

FROM: Karen R. Johnson, J.D.

STAFF: Judy Hendrickson

SUBJECT: Modifications to *Policies and Procedures for Private Career Schools*

Policies and Procedures for Private Career Schools were modified to reflect recent changes to the Code of Maryland Regulations 13B.01.01, governing private career schools.

- Pages 4 and 5 describe a new option now available to new school applicants. A new school applicant may chose to provide either: (1) the required financial statement and a financial guarantee sufficient to cover 50% of the school's tuition liability, or (2) a financial guarantee sufficient to cover 100% of the school's tuition liability.
- Page 9 describes changes to the non-refundable application fee for initial approval to operate a private career school. The fee remains \$300 for a school seeking approval for up to three programs. For schools seeking approval for more than three programs, an additional \$100 is charged for each program over three.

RECOMMENDATION: It is recommended that the Education Policy Committee recommend to the Maryland Higher Education Commission approval of the revised *Policies and Procedures for Private Career Schools*.

POLICIES AND PROCEDURES
FOR
MARYLAND PRIVATE CAREER SCHOOLS

Maryland Higher Education Commission
16 Francis Street
Annapolis, Maryland 21401

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**APPENDICES TO THE POLICIES AND PROCEDURES MANUAL
FOR MARYLAND PRIVATE CAREER SCHOOLS**

1. Private Career School Irrevocable Letter of Credit Form
2. Private Career School Bond Form
3. Application for Initial Approval to Operate a Private Career School - Part I and II
4. Application for Approval of a Change of Ownership of a Private Career School
5. Procedures to Follow to be Granted Approval of a Separate Classroom or a Change of Location of a Private Career School
6. Application for Approval of a New Program Offered by a Private Career School
7. Application for Approval of a Modification to an Approved Program Offered by a Private Career School
8. Application for Approval of a Substantial Modification to an Approved Program Offered by a Private Career School
9. Catalog Checklist for a Private Career School
10. Enrollment Agreement Checklist for a Private Career School
11. Student Permanent Record Card/Transcript Checklist for a Private Career School
12. Student Permanent Record Card/Financial Account Card Checklist for a Private Career School
13. SAMPLE Guaranty Student Tuition Fund Claim Form

I. STATUTORY AUTHORITY OF THE COMMISSION REGARDING THE APPROVAL OF PRIVATE CAREER SCHOOLS

The Maryland Higher Education Commission (Commission) has the responsibility to approve institutions of postsecondary education including private career schools. **Education Article, Section 11-202, Annotated Code of Maryland** states:

An institution of postsecondary education may not commence or continue to operate, do business, or function without a certificate of approval from the Commission.

A. Definition of a Private Career School:

The Commission's approval authority extends to all private career schools that seek to operate in Maryland. A private career school is defined in **Education Article, Section 10-101(h) of the Annotated Code of Maryland** as follows:

Private career school -- "Private career school" means a privately owned and privately operated institution of postsecondary education, other than an institution of higher education, that furnishes or offers to furnish programs, whether or not requiring a payment of tuition or a fee, for the purpose of training, retraining, or upgrading individuals for gainful employment as skilled or semi-skilled workers or technicians in recognized occupations or in new and emerging occupations.

Therefore, a private career school is one that offers job training. The objective of the job training is to prepare an individual to gain initial employment, to retrain in order to re-enter the labor market, or to upgrade and advance to a different or higher level occupation. A private career school provides training that is of sufficient content and length to accomplish the objectives set out above.

As an institution of postsecondary education, a private career school offers an educational program in the State for individuals who are at least 16 years old and who have graduated from or left elementary or secondary school.

B. Exemptions:

As identified in the **Code of Maryland Regulations (COMAR) 13B.01.01.03B**, exempt from the Commission's approval and the regulations which govern private career schools are the following:

- 1. Workshops, seminars, and demonstrations which are not part of a program.*

2. *Refresher or continuing education instruction sponsored by any professional group for the exclusive use and benefit of the members of that professional group.*
3. *Instruction conducted by persons, firms, corporations, or other organizations exclusively for their own employees. This exclusion does not apply to these agencies or organizations if they enroll individuals other than their own employees.*
4. *Apprenticeship and other training offered by unions for their membership.*
5. *A church or other religious institution offering a postsecondary instructional program designed for and aimed at persons who hold or seek to learn the particular religious faiths or beliefs of that church or religious organization, as provided in Education Article 11-202, Annotated Code of Maryland.*
6. *Individual instructors who go to various places to offer instruction to not more than one individual.*

In most instances, vocational training offered internally or for a restricted audience and not the general public is exempt from regulation by the Commission. This includes: funded group contract training; corporate training conducted exclusively for corporate employees; training conducted by unions or professional associations exclusively for their own membership; and one-on-one instruction and tutorials. The exemption for funded group contract training does not apply to training provided through an individual training account or voucher.

Also exempt from regulation by the Commission is training, such as single seminars and workshops, which do not prepare or upgrade an individual for employment and which does not purport to be job preparatory.

In addition, continuing education courses that are required to maintain an individual's professional license and to update the knowledge required for an individual's current occupation are exempt from Commission approval. However, training that is provided for the purpose of training, retraining, or upgrading individuals for gainful employment requires Commission approval.

II. FINANCIAL GUARANTEES

A. Statutory Authority:

Education Article, Section 11-203, Annotated Code of Maryland empowers the Maryland Higher Education Commission to require financial guarantees of institutions of higher education, including private career schools. Education Article, Section 11-203 (a-c) of the Annotated Code states:

(a) May be required. - *The Commission may require any institution of postsecondary education that is required to obtain a certificate of approval to furnish a performance bond or other form of financial guarantee to the State conditioned that the institution will:*

- (1) *Perform faithfully all agreements or contracts it makes with its students; and*
- (2) *Comply with this article.*

(b) Form and amount. - *Any bond required under this section shall be in the form and amount the Secretary requires.*

(c) Liability of surety; payment.

(1) *The total liability of a surety on a bond under this section may not exceed the amount of the bond.*

(2) *If the total amount of claims filed against a bond exceeds the amount of the bond, the surety shall pay the amount of the bond to the Secretary for distribution to the claimants.*

This requirement applies to private career schools seeking initial approval, change of ownership, or renewal of approval, as well as those operating with a certificate of approval.

B. Financial Guarantee for a New School:

The requirement of a financial guarantee for schools seeking initial approval to operate is referenced in the Code of Maryland Regulations, Section 13B.01.01.04B(6)(b). It states:

The Secretary may require a school to forward a financial guarantee in the form of a renewable performance bond or an irrevocable letter of credit. The bond or letter of credit shall be in an amount and under terms and conditions determined by the Secretary, and it shall be made payable to the Secretary of

Higher Education. The completed bond or letter of credit is to be forwarded to the Secretary of Higher Education.

Prior to approval, a proposed school will be required to obtain the A financial guarantee as specified by the Secretary. The school will maintain the guarantee in this form for a period of at least two years unless notified otherwise by the Secretary.

~~The Secretary may require a letter of credit or a bond in an amount sufficient to protect the tuition of students to be enrolled at the school. To determine the amount of the financial guarantee, if any, the Secretary will consider all factors deemed relevant including the projected tuition liability of the school, the financial backing of the school, the school's business plan, and the recommendations by the Commission's accounting firm.~~

A NEW SCHOOL APPLICANT MAY CHOOSE TO PROVIDE EITHER:¹

- FINANCIAL GUARANTEE IN AN AMOUNT SUFFICIENT TO COVER 100% OF THE TUITION LIABILITY OF THE SCHOOL IN ACCORDANCE WITH THE CODE OF MARYLAND REGULATIONS, SECTION 13B.01.01.04B(12);

OR

¹ SECTION 13B.01.01.04B(2) OF THE CODE OF MARYLAND STATES:

(2) IN ADDITION TO DOCUMENTS REQUIRED BY THE APPLICATION FORM, THE APPLICATION SHALL INCLUDE THE FOLLOWING ITEMS:

(a) A DETAILED AND ACCURATE DESCRIPTION OF THE SCHOOL'S PROPOSED PROGRAM OR PROGRAMS AND OPERATION OF THE SCHOOL;

(b) A FINANCIAL STATEMENT DESCRIBED IN B(11) OF THIS REGULATION OR A FINANCIAL GUARANTEE DESCRIBED IN B(12) OF THIS REGULATION;

SECTION 13B.01.01.04B (11) OF THE CODE OF MARYLAND STATES:

(11) A FINANCIAL STATEMENT UNDER B(2)(b) OF THIS REGULATION SHALL:

(A) BE REVIEWED BY A CERTIFIED PUBLIC ACCOUNTANT;

(B) DEMONSTRATE THAT THE APPLICANT HAS ADEQUATE RESOURCES AND ASSETS TO PROTECT THE INTEREST OF STUDENTS TO BE ENROLLED;

(C) CONTAIN COMPARATIVE FINANCIAL DATA FOR THE PREVIOUS 3 FISCAL YEARS, WHEN AVAILABLE; AND

(D) BE CERTIFIED AS TRUE AND CORRECT BY A RESPONSIBLE OFFICIAL ON BEHALF OF THE APPLICANT.

SECTION 13B.01.01.04B(12) OF THE CODE OF MARYLAND REGULATIONS STATES:

(12) A FINANCIAL GUARANTEE UNDER B(2)(B) OF THIS REGULATION SHALL BE IN THE FORM OF A BOND OR LETTER OF CREDIT THAT IS SUFFICIENT TO COVER THE FULL TUITION LIABILITY OF THE SCHOOL. THE BOND OR LETTER OF CREDIT SHALL BE IN THE AMOUNT AND UNDER THE TERMS AND CONDITIONS DETERMINED BY THE SECRETARY, AND MADE PAYABLE TO THE SECRETARY OF HIGHER EDUCATION.

- A FINANCIAL STATEMENT REQUIRED BY THE CODE OF MARYLAND REGULATIONS, SECTIONS 13B.01.01.04B(2)(b) AND 13B.01.01.04B(11); AND
- A FINANCIAL GUARANTEE IN AN AMOUNT SUFFICIENT TO COVER 50% OF THE TUITION LIABILITY OF THE SCHOOL, UNLESS THE SECRETARY DETERMINES THAT FINANCIAL CONDITIONS WARRANT A GREATER AMOUNT.

~~For a new school, the~~ THE projected tuition liability will be determined by the following two-step calculation:

Step one: Multiply the cost of tuition by the maximum approved student enrollment. This maximum enrollment will be based upon the applicant's projected enrollment for the school, not to exceed the capacity of the school's facilities, equipment, and staffing, and upon the school's bonding capability.

Step two: Multiply the total tuition derived from step one by 100%, 50%, OR A PERCENTAGE SPECIFIED BY THE SECRETARY. ~~in order to factor out tuition lost to a school due to normal student attrition and delinquent student accounts.~~ This figure represents the projected tuition liability.

Example: The projected tuition liability for a new school with a maximum student enrollment of 50 and tuition of \$2,000 will be calculated as follows:

$$(50 \text{ STUDENTS} \times \$2,000 \text{ TUITION}) \times 100\% = \$100,000$$

OR

$$(50 \text{ students} \times \$2,000 \text{ tuition}) \times 50\% = \$50,000$$

The school may not exceed the maximum student enrollment covered by the financial guarantee. However, the school may request approval from the Commission to increase the maximum student enrollment which may result in an increase in the financial guarantee.

At the conclusion of the two-year period, the school's financial condition and requirement for a financial guarantee will be determined based on the criteria for approved schools. This criteria is identified in the following Subsection C.

C. **Financial Guarantee for an Approved School:**

Section 13B.01.01.04C(6) of Code of Maryland Regulations states:

The Secretary may require a school to forward a financial guarantee in the form of a performance bond or an irrevocable letter of credit if, at the time of renewal of authority to operate or during the period of a school's operation, the Secretary determines the financial condition of the school warrants this action. The bond or letter of credit shall be in an amount and under terms and conditions determined by the Secretary, and made payable to the Secretary of Higher Education. The completed bond or letter of credit is to be forwarded to the Secretary of Higher Education. Failure to obtain a required bond or letter of credit shall result in a denial of the school's renewal of approval to operate.

Thus, the Secretary may impose the requirement of a financial guarantee upon operating private career schools if financial conditions warrant.

The Secretary will evaluate on an annual basis the operation of the school and determine whether the institution complies with the minimum financial standards set forth in the Code of Maryland Regulations (COMAR). **Sections 13B.01.01.17A-D of COMAR** requires schools to operate in accordance with sound principles of financial management and maintain financial resources adequate for the satisfactory conduct of the school. Schools will be measured for the satisfactory conduct of the school. Schools will be measured against these general principles as well as the standards identified later in this Subsection.

Approved private career schools will submit to the Commission financial statements, audited or reviewed by a Certified Public Accountant. These statements and other financial information, including external accounting reports on individual schools and their parent corporations, will be evaluated against criteria identified below to determine whether financial conditions warrant the imposition of a financial guarantee. Both the school and, if applicable, its parent corporation will be required to meet the minimum standards including the following:

1. Operate at a profit. Income must exceed expenditures for the two most recent years.
2. Have a positive net worth and maintain at least a 1:1 ratio of current assets to current liabilities.
3. Satisfy the following requirements, if the institution is accredited and participates in Title IV Federal Financial Aid:
 - a) The institution must maintain its eligibility to participate in Title IV Federal Financial Aid Programs.

- b) The institution must meet the standards, including those pertaining to student loan default, required to maintain the school's current eligibility to participate in Title IV Federal Financial Aid Programs and to avoid suspension or withdrawal of eligibility for the Title IV Programs.

Failure to demonstrate adequate financial resources by meeting minimum standards, including those previously stated, may require the school to obtain a financial guarantee sufficient to protect the tuition of students enrolled in the school. The Secretary will notify the school of the amount, form, and time frame within which the guarantee must be obtained. Current forms which a school may use to obtain a letter of credit or bond appear as **Appendices 1 and 2** respectively.

The following principles underlie the policies outlined below:

- An approved school electing to discontinue its operation is strongly encouraged to teach-out (complete the training for which they contracted) all current students.
- If the school is unable or unwilling to teach-out all students, the financial guarantee will be used at the discretion of the student for:
 - A viable teach-out arrangement approved by the Commission or
 - A full tuition refund

Therefore, the amount of the financial guarantee for approved schools will be determined by the Secretary based upon relevant factors, including but not limited to: The cost of a Commission approved teach-out to complete the training of enrolled students. This amount will be determined from an analysis of the school's actual costs for faculty and administrative salaries, lease agreements, and other items essential to the education and training of students. Such factors as advertising, recruiting, travel, and other items not directly related to an actual teach-out will be excluded.

Under no circumstances will the amount of the guarantee exceed projected tuition liability as calculated by multiplying the cost of tuition by the actual total student enrollment by a factor of 30%.

Once imposed, the school will be required to obtain the financial guarantee as specified by the Secretary. The school will maintain it in this form unless notified otherwise by the Secretary. The school may not exceed the maximum student enrollment covered by the financial guarantee.

The Secretary will periodically review the school's financial conditions and student enrollment to determine whether changes to the financial guarantee are required. The school will be notified if changes are warranted.

The school may request approval to increase the maximum student enrollment, which may result in an increase in the financial guarantee.

D. Financial Guarantee for a Change of Ownership:

The requirement of a financial guarantee for schools seeking approval for a change of ownership is referenced in the **Code of Maryland Regulations, Section 13B.01.01.04D(5)**. It states:

The Secretary may require the prospective owner of a school to forward a financial guarantee in the form of a performance bond or an irrevocable letter of credit. The bond or letter of credit shall be in an amount and under terms and conditions determined by the Secretary and made payable to the Secretary of Higher Education. The completed bond or letter of credit is to be forwarded to the Secretary of Higher Education.

Schools seeking approval for a change of ownership will be regarded as existing schools for the purpose of determining whether a financial guarantee is required and in what amount. If warranted, the acquisition of the guarantee will be required prior to Commission approval of the ownership change.

The policies and procedures outlined in the previous Subsection C, Financial Guarantee for Approved Schools, will apply in the case of a change of ownership with the following caveat: The financial statements of both the buyer and the seller be evaluated to determine the appropriate amount of the guarantee, if warranted.

E. Financial Guarantee for Additional Facilities of an Approved School:

The requirements of a financial guarantee for additional facilities operated under the same ownership and corporation and offering the same programs as an approved school in good standing in Maryland are the same as the policies and procedures outlined in the previous Subsection C, Financial Guarantee for an Approved School. Additionally, the Secretary will take into consideration the financial backing of the school, the school's business plan, and the recommendations by the Commission's accounting firm.

III. DELEGATION OF RESPONSIBILITY

The Maryland Higher Education Commission has delegated to the Secretary of Higher Education the responsibility and authority to act on its behalf on applications for the operation of private career schools in the State, including but not limited to initial approvals, renewals of approval, changes of ownership, approvals of additional locations and new programs, denials of approval, and withdrawals of approval.

IV. THE APPROVAL PROCESS

A. Initial Approval to Operate a Private Career School:

Section 13B.01.01.04B(1) of the Code of Maryland Regulations (COMAR) states:

Application for initial approval of a school shall be made to the Secretary on an application form provided by the Secretary, and accompanied by such additional information as may be required.

Appendix 3 is an Application for Initial Approval to Operate a Private Career School in Maryland. The application includes, but is not limited to the following items:

1. A description of the proposed school's program(s) and operation.
2. A financial statement reviewed by a certified public accountant.
3. A projection of anticipated revenue and expenditures for the school's first year of operation.
4. A NON-REFUNDABLE APPLICATION FEE IN THE AMOUNT OF:
 - a. \$300 FOR SCHOOLS SEEKING APPROVAL FOR UP TO THREE PROGRAMS; OR
 - b. \$300 PLUS \$100 FOR EACH PROGRAM OVER THREE, FOR SCHOOLS SEEKING APPROVAL FOR MORE THAN THREE PROGRAMS.
5. A plan for a school free of drug and alcohol abuse.

The application for approval to operate a private career school is in two parts (**Appendix 1**): The applicant may submit PARTS I AND II of the application separately or both parts at the same time. The application is designed in this manner so that less costly items such as those in Part I of the application could be reviewed before the applicant submits Part II which requires substantial expenditures for facilities, equipment, and the hiring of employees.

If the applicant decides to submit first Part I of the application for review, the applicant may take up to six (6) months from the date of submittal of Part I to submit Part II of the application. Incomplete submissions of either Part I or Part II of the application must be accompanied by the remaining required materials within six months after the initial submission is made.

Within thirty days of receipt of both parts of the application, the Secretary will inform the applicant whether the application is complete or not complete. If the application is not complete, it will be returned to the applicant. The applicant may resubmit a completed application.

All new school applications are carefully reviewed to assure that new schools will open and operate on a sound educational and financial basis. Commission staff reviews the application to determine if it complies with the Code of Maryland Regulations governing private career schools. In addition, the curriculum is submitted to a subject specialist for review and comment. Any deficiencies with the application will be identified and forwarded to the applicant.

The amount of time required for this multi-phase review process varies according to the complexity and quality of each application. Prior to approval, Commission staff conducts an on-site visit to the school facility to assure that the proposed school complies with the regulations and is ready to operate.

When the application meets the minimum standards of the Maryland Code of Regulations (COMAR), the application will be presented before an advisory council appointed by the Secretary to make recommendations regarding the approval of private career schools. Currently the Secretary's Advisory Council (SAC) is comprised of six voting representatives knowledgeable of national and statewide manpower needs and two members from the private career school industry.

The applicant will have the opportunity to appear before the council to answer questions and make comments regarding the application. Following the meeting, SAC's recommendation will be forwarded to the Secretary. The Secretary will submit to the applicant a decision regarding the approval of the proposed new private career school.

The Secretary may grant approval to operate in accordance with **COMAR, Section 13B.01.01.04B7(b)** which states:

If the Secretary is satisfied, based on all the information available to the Secretary, that the minimum requirements set forth in the regulations are met, the Secretary shall issue a certificate of approval to operate on the conditions and for a period of time not to exceed 5 years, as the Secretary may consider appropriate. The Secretary may grant interim approval for the school to operate, specifying the conditions and the duration of the interim approval.

If the Secretary believes that a private career school that applies for a certificate of approval does not meet the conditions or standards necessary for the issuance of the certificate, the Secretary must give the institution written notice of the specific deficiencies. Within twenty days of receipt of this notice, the applicant may request a hearing before the Commission to determine if the certificate of approval should be issued. The applicant may also request a hearing if neither a certificate of approval nor a notice of deficiencies has been issued within 6 months of submitting a complete application to the Commission.

The applicant's right of appeal appears in the **Education Article, Annotated Code, Sections 11-202 (f)** which states:

(2) Within 20 days of receipt of a notice of deficiencies, the institution may request a hearing before the Commission, and within 60 days of receipt of the request the Commission shall hold a hearing to determine if the certificate of approval should be issued.

(3) If, within 6 months from the date on which the application for certification was submitted to the Commission, the institution has received neither a certificate of approval under subsection (b) of this section nor written notice of deficiencies under this subsection, the institution may request within 20 days a hearing before the Commission to determine if the certificate of approval should be issued.

Any institution that is denied a certificate of approval by the Commission after a hearing granted under **Section 11-202 (f) of the Annotated Code** may seek judicial review in accordance with **Section 11-202 (g) of the Annotated Code**.

B. Approval of a Change of Ownership of a Private Career School:

Section 13B.01.01.04D(1-3) of the Code of Maryland Regulations (COMAR) states:

(1) The certificate of approval of a school may not be sold, transferred or pledged.

(2) The certificate of approval of a school is automatically revoked upon a change of ownership, by whatever means, of that school.

(3) If an approved school is being sold, pledged, or otherwise transferred, the school and its prospective transferees shall apply for approval for the school before the transfer is consummated. The application shall be made in accordance with regulations governing initial approval. If an approved school is sold, pledged, or otherwise transferred, without the approval of the Secretary, the initial approval shall be automatically revoked.

Appendix 4 is an Application for Approval of a Change of Ownership of a Private Career School. The application includes items required by the application for initial approval (**Appendix 3**) plus the following requirement:

Submission of a completed copy of the proposed sale and purchase agreement for the new school. This agreement must condition the consummation of the sale upon the receipt of the required approval from the Secretary of Higher Education.

The process to obtain approval of a change of ownership, includes the following steps:

1. Submission of a fully completed application for approval of a change of ownership.
2. Staff determination that the application meets the minimum standards of the Maryland Code of Regulations (COMAR).
3. Presentation of the application before the advisory council.
4. Recommendation of the advisory council concerning the approval of the application forwarded to the Secretary.
5. Notification of the Secretary's decision concerning the approval of the application.

If the school fails to satisfy the conditions for the granting of a certificate of approval, the school's authority to operate will expire and the school will be closed.

On an exceptional basis, the Secretary may grant interim approval for a change of ownership. If conditions warrant, interim approval may be issued at the discretion of the Secretary provided the applicant has submitted a completed application that has been reviewed and determined to meet the minimum standards of the Code of Maryland Regulations. **Sections 13B.01.01.04D(4) and 13B.01.01.04B(7)(d)** state:

For continued operation, the Secretary may grant interim approval for the school to operate and specify the conditions and the duration of the interim approval.

A certificate of approval for each school location shall be issued in the name of the applicant. Certificates of approval are valid for the period specified by the Secretary, unless surrendered by the school or revoked by action of the Secretary. In the event of the death of an individual certificate holder, the certificate may become void. However, the Secretary may grant interim approval for the school to operate, specifying the conditions and the duration of the interim approval.

C. Approval of New Locations - Additional Locations and Changes in Location:

In accordance with the Code of Maryland Regulations (COMAR), an approved private career school must seek and obtain approval prior to either expanding or changing its location. To quote COMAR, Sections 13B.01.01.04B(8) and 13B.01.01.04E(1) respectively:

The approval of a school is limited to the location and programs for which application has been made and approval granted. Applications shall be made to the Secretary for additional locations as well as changes in locations and programs as provided by these regulations.

Instruction may not begin at an additional location, additional separate classroom, or changed locations before the Secretary approves the location.

Described below is the approval process for each of the following: an additional location, a separate classroom, and a change of location.

1. **Approval of Additional Locations:** An "additional location" is defined in Section 13B.01.01.02B(1) of COMAR as follows:

"Additional location" means a separate facility of an approved school, not in close proximity to the approved school.

In Maryland, each school is approved as a separate entity. Therefore, an additional location is required to obtain approval as a new school. The application for initial approval to operate a private career school must be submitted and all requirements for a new school, including the financial requirement, must be met.

Appendix 3 is the application which is required for approval of an additional location. For information concerning the approval process, refer to the previous section entitled Initial Approval to Operate a Private Career School.

2. **Approval of Separate Classrooms:** A "Separate classroom" is defined in Section 13B.01.01.02B(25) of COMAR as follows:

"Separate classroom" means supplemental training space:

(a) Located near an approved school for the purpose of training students who cannot be accommodated in the existing approved facilities of the school or for the purpose of expanding a school's educational offerings; and

(b) *The location of which shall provide students convenient, safe, and easy access to the training and services provided at the existing approved facilities of the school.*

A separate classroom is an expansion of an approved school's training area. The additional space is strictly for classroom and laboratory training. Because of the close proximity of the separate classroom to the original school facility, all administrative and support services to students are provided at the originally approved school facility.

According to **Section 13B.01.01.04E(3) of COMAR:**

A school shall submit to the Secretary an application for approval of the use of a separate classroom on forms and in a format provided by the Secretary at least 30 days before the proposed use of the classroom or classrooms.

Appendix 5 is the approval procedure for either a separate classroom location or a change of location. The information which must be submitted to the Commission ensures that the facility both complies with the Code of Maryland Regulations and the local codes for fire, health, and zoning. Schools are to submit a local occupancy permit, and documentation of satisfactory inspections by the fire and health department. In Montgomery County, the school is also to provide a Private Educational Institution License.

3. **Approval of a Change of Location:** **Section 13B.01.01.04E(4) of the Code of Maryland Regulations** states:

A school shall submit to the Secretary an application for approval for a change of location of an approved school on forms and in a format provided by the Secretary at least 60 days before the proposed use of the new location.

Appendix 5 is the approval procedure for either a change of location or separate classroom location. The information which must be submitted to the Commission ensures that the facility both complies with the Code of Maryland Regulations and the local codes for fire, health, and zoning. Schools are to submit a local occupancy permit, and documentation of satisfactory inspections by the fire and health department. In Montgomery County, the school is also to provide a Private Educational Institution License.

D. Approval of a New Program:

The Maryland Higher Education Commission has the responsibility to review program proposals for all sectors of higher education in Maryland. The Maryland Higher Education Commission has delegated to the Secretary of Higher Education the responsibility and authority to act on its behalf on program proposals and modifications submitted by Maryland's private career schools.

Section 11-206 of the Education Article of the Annotated Code of Maryland contains the following provisions with respect to the program review process for private career schools:

1. A private career school may not implement a program without the prior approval of the Commission.
2. Complete program applications will be reviewed within a 60-DAY time frame. If the Commission fails to act on a completed proposal within the prescribed time frame, the program will be deemed approved without any further action of the Commission.
3. If the Commission disapproves a program proposal, the Commission is required to provide the applicant a written explanation of the reasons for the disapproval.
4. After revising a program proposal to address the Commission's reasons for disapproval, the applicant may submit the revised proposal to the Commission for approval, thereby triggering a new 60-DAY time frame for Commission action. Commission staff will expedite as much as possible the review of a resubmitted program proposal.

The offering of an unapproved program is a violation of **Section 11-107(b) of the Annotated Code of Maryland** which states:

The Secretary may require any private career school offering unapproved programs to refund all tuition and fees paid by students who enrolled in such programs, and may revoke the certificate of approval of any private career school that fails to make a required refund within the time frame specified by the Secretary.

Appendix 6 is the form to be used when submitting a new program proposal.

As a result of statutory changes in 1999, interim approval for new programs will no longer be provided to private career schools. The 90-day interim approval option that previously was available to schools will not be permitted under the newly enacted 60-day program approval time frame nor will it be necessary as a result of the shortened approval process.

E. Approval of Program Modification(s):

The Commission also has statutory authority regarding modifications made to existing programs. The initial program approval process includes a comprehensive review of the program proposal, from entrance requirements to completion criteria. Modifications to an approved program alter that which has been deemed to be an educationally sound vocational offering. Therefore, modifications to approved programs also require review and approval.

Section 13B.01.01.05A(2) (a) of the Code of Maryland Regulations requires that the institution notify the Secretary at least 60 days before implementation of any modification(s) to an approved program.

Appendix 7 is the form to be used to propose modifications(s) to an existing program. The Application for Approval of a Modification to an Approved Program Offered by a Private Career School (**Appendix 7**) provides a format for the institution to describe the proposed changes.

The Secretary will inform the institution if the changes are substantial and hence whether the completion of an Application for Approval of a Substantial Modification to an Approved Program Offered by a Private Career School would be required. If the changes are not substantial, the Secretary will direct Commission staff to document the institution's file so that the record reflects the current description of the program which incorporates the modifications. If the modifications are determined to be substantial, an Application for Approval of a Substantial Modification to an Approved Program Offered by Private Career School would need to be submitted (**Appendix 8**).

A substantial modification is defined in **Section 13B.01.01.05A(2)(b) of the Code of Maryland Regulations**.

Substantial modifications may include, but are not limited to:

- i. an increase or decrease in the number of hours required in the program;*
- ii. a redistribution of the hours of a program;*
- iii. a change in program objectives;*
- iv. changes in the requirements for admission and/or satisfactory completion;*
- v. changes in the sequence of instructional hours;*
- vi. changes in program title; and*
- vii. changes in the credential awarded upon completion of the program.*

F. Institutional Credit Hour/Clock Hour Approval:

As indicated in the Code of Maryland Regulations, private career schools may seek approval to measure their programs in either clock hours or credit hours. **Section 13B.01.01.09A** states:

- (1) *A school may measure instructional times of programs and courses in either clock hours or credit hours with the approval of the Secretary of Higher Education.*

To facilitate the transfer of credits between institutions of higher education, private career schools may be approved as credit hour institutions. Private career schools may define their programs in terms of credit hours and thereby adopt a common classification system which is understood and recognized by institutions of higher education. This facilitates the evaluation of courses by other educational institutions and therefore encourages articulation.

To be eligible to obtain approval as a credit hour institution, a private career school must meet the criteria listed below. The Secretary will consider all relevant factors, including those stated below, to determine whether a private career school may be approved as a credit hour institution which may define its programs in credit hours.

- a Programs at the private career school are transferable to degree granting institutions as evidenced by:
 - 1 Graduates being awarded credit at degree granting institutions for programs completed at the private career school.
 - 2 An executed articulation agreement between the private career school seeking credit hour approval and a degree granting institution.
- b The program is otherwise designed and configured for easy transferability to institutions of higher education. This includes but is not limited to the following:
 - 1 Programs are comprised of courses which have explicit objectives and for which individual student grades are assigned.
 - 2 Programs are scheduled utilizing units of measurement common to degree granting institutions; i.e., quarters, semesters, terms.
 - 3 Programs are designed to enable whole credits to be awarded to component courses. When the required formula for converting

clock hours to credit hours is applied, courses are awarded whole credits and not fractions of a credit.

This credit hour approval policy is designed to balance the interest of students, prospective students, the general public, and private career schools. It is also intended to promote articulation and facilitate the transfer of credits between institutions of higher education. This policy applies to all schools seeking approval by the Commission.

V. DOCUMENTS AND RECORDS REQUIRED OF PRIVATE CAREER SCHOOLS

The following documents are required of private career schools that operate in Maryland:

- School Catalog
- Enrollment Agreement
- Permanent Student Records (to include: student's transcript and financial account)
- Annual Report

A. School Catalog:

Section 13B.01.01.15A of the Code of Maryland Regulations states:

Each school shall have a catalog that shall be given to all students at the time of enrollment. The catalog shall describe comprehensively the school's facilities, educational offerings, activities, policies, and other information prescribed by the Secretary. The catalog shall state the estimated length of each of the school's programs and courses in clock hours, weeks and months.

Each edition of the school catalog must meet the minimum standards identified on the catalog checklist. (See **Appendix 9**.)

B. Enrollment Agreement:

Sections 13B.01.01.12C-E of the Code of Maryland Regulations states:

- C. *Forms for enrollment contracts, bona fide loans, and payment plans for student charges shall be sent to the Secretary for approval at least 60 days before their use. The Secretary shall make every effort to expedite approval in a minimum time period. Each student shall receive a completed copy of the enrollment contract signed by the student, the student's legal guardian if the student is under 18 years old, and an official of the school. The student shall also receive any other documents pertaining to the student's commitment to enroll.*
- D. *An enrollment contract shall specify all terms and conditions relating to the entire length and total cost of the program as well as other information the Secretary may require.*
- E. *A student's total program shall be established and fixed in the enrollment contract at the time of initial enrollment. Enrollment*

contracts may be extended or modified only with the written consent of both the student and the school.

In addition, **Sections 13B.01.01.12G and H of the Code of Maryland Regulation** relate to any fees charged by the school and disclosed in the enrollment agreement:

The registration, application, or enrollment fee charged may not exceed cumulatively 10 percent of the total contract price of a course or program, or \$150, whichever is less. Other mandatory fees charged shall be requested by a school and approved by the Secretary before implementation. Within 30 days of the school's submission of all required information, the Secretary shall take an approval action regarding the school's request for other mandatory fees.

A school may not charge a withdrawal fee.

The enrollment contract must meet the minimum standards identified on the enrollment agreement checklist. (See **Appendix 10**.) The enrollment history of the student becomes a part of the student's permanent record and must be available for Commission review.

C. Permanent Student Records:

Section 13B.01.01.11A of the Code of Maryland Regulations states:

The school shall maintain adequate permanent student records which include evidence of compliance with the school's admissions requirements; credit granted for previous experience or training; dates of admission, start dates, and withdrawal or completion dates; reasons for withdrawals when known; daily attendance; student transcripts indicating achievements; and tuition and financial aid records, when applicable.

In addition, **Section 13B.01.01.11E of the Code of Maryland Regulations** states:

A school shall maintain an accurate, complete, and current record of a student's financial account in a form and manner approved by the Secretary.

At a minimum, a student's permanent records consist of the following documents that must be maintained in a form and manner approved by the Secretary:

1. Transcript that records a student's academic achievement and daily attendance; and
2. Record of the student's financial account.

Checklists that identify the minimum items to be included on the transcript and financial account card appear as **Appendices 11 and 12**.

Student records must be maintained and retained in accordance with Maryland regulations. **Sections 13B.01.01.11B-D of COMAR** state:

A school shall maintain all records of a student for at least 5 years after a student either terminates training or graduates. After that, a school is only required to maintain the student records identified in A of this regulation in a form and manner approved by the Secretary.

A school shall document in each student's individual file all changes to a student's status at the time the changes occur. Changes to a student's status include, but are not limited to, initial enrollment, award of previous credit, changes in schedule, changes in enrollment, leave of absence, probation, counseling, withdrawal, termination, graduation, or completion but ineligible for graduation.

A school shall maintain accurate and complete records of a student's academic achievement and daily attendance. On a regular basis, which is at least every grading period, the school shall record this information on an approved permanent record form which is maintained in the student's individual file.

Hard copy permanent records for each student must be updated no later than at the conclusion of each grading period. The permanent records or transcripts of students who leave school for any reason (withdrawal, termination, completion) must be updated and completed at the time of separation.

Further, the permanent student record must document a student who is on an approved leave of absence. The leave of absence policy must be stated in the school's catalog and must comply with all federal and state guidelines. *[See catalog checklist, Appendix 9.]*

If the student does not return from the approved leave of absence or exceeds the time allowance for the leave of absence, the student's permanent record must document the action taken to terminate the student.

The school is responsible for maintaining a hard copy of a permanent student record card or transcript for each current and former student. In addition, the school is to maintain tuition and financial records for each student. These records are to include a student account card or ledger sheet which reports the training costs charged, the dates and amounts of payments, and the balance. The student's financial records must also clearly state any tuition refund due, the calculation of such refund, and proof that the refund was made.

Sections 13B.01.01.11I(1-3) of COMAR state:

I. Discontinuation of Operation by a School.

(1) Before any school operating in this State discontinues operation, its chief administrative officer shall file with the Secretary the original or legible copies of all essential records of the academic achievements of all former students of the school and records of the financial obligations incurred for educational purposes of current students at the time of closure.

(2) The records filed with the Secretary in E of this regulation shall include:

(a) The academic record of each former student, including credit granted for previous experience or training;

(b) Dates of admission, start dates, and withdrawal or completion dates;

(c) Reasons for withdrawals when known;

(d) Daily attendance; and

(e) Student transcripts indicating achievements.

(3) All students' tuition payment records for the 3 years before the school's closing shall be forwarded to the Secretary. The Secretary may waive this requirement if it is determined that the records are being adequately maintained by another State agency.

When a private career school closes, the Commission by law becomes custodian of the student records. Former students of closed schools who wish to further their education or pursue job opportunities are able to obtain the necessary transcripts by contacting the Commission.

Tuition payment records for the students of closed schools must be provided to the Commission for use in determining possible refunds due as well as evaluating potential claims against the Guaranty Student Tuition Fund.

D. Annual Report:

Section 13B.01.01.06A of the Code of Maryland Regulations states:

Annual School Report: An approved school is required to submit an annual report each year on forms and on a schedule provided by the Secretary. This report covers the fiscal and managerial aspects of the school's operation and other information as required by the Secretary.

The Annual Report packet will be provided to schools with specific instructions for the submission of the required materials. It is the school's responsibility to adhere to the deadlines for the submission of the data. Failure to provide the data or to comply with the given time frames are violations of the regulations and could jeopardize the school's authority to operate.

VI. PROGRAM QUALITY INDICATORS

A. **Minimum Program Performance Standards** (Minimum Standards of Completion/ Graduation, Placement and Passage on any Applicable Licensing Examination):

As defined in both statute and regulation, the purpose of private career schools is to provide training for gainful employment. In keeping with this definition, **Section 13B.01.01.09K of the Code of Maryland Regulations (COMAR)** states:

A school shall demonstrate that each of its approved programs provides quality training that leads to the training-related employment of program graduates. The Secretary shall identify indicators, including minimum program performance standards, to be used by a school to demonstrate that each of its programs is in compliance with this regulation.

Another basic expectation of the regulations governing private career schools is that a school will admit to training only students who can expect to successfully complete their training. **Section 13B.01.01.08A of COMAR** states, in part:

Schools shall have admission requirements for each program so that each student admitted to a program may expect to be able to complete the program successfully.

The following principles underlie the policies outlined below: All private career schools are expected to strive for the highest possible program completion and job placement rates for all of their approved programs. In accordance with this principle, there must be for each approved program minimum performance standards including minimum rates of successful completion/graduation, placement in training-related employment, and passage on any applicable licensing examination.

Therefore, the minimum performance standards for program completion, job placement, and passage on any applicable licensing examination are as follows:

1. **Minimum Standards for Program Completion/Graduation**
 - **A program of less than 600 hours shall have a successful completion or graduation rate of at least 50 percent.**
 - **A program of at least 600 hours shall have a successful completion or graduation rate of at least 33 percent.**

2. Minimum Standards for Placement or Passage on any Licensure Examination

- **A program that prepares students for licensed occupations shall have a passage rate for program graduates taking the applicable State or federal licensing examination of at least 33 percent.**
- **A program that prepares students for non-licensed occupations shall have at least a 33 percent rate of placement in training-related employment.**

B. Evaluation Process:

On an annual basis, required program performance data submitted by each school as part of its annual report to the Secretary will be evaluated for compliance with the standards identified above. If any program is determined to be below the minimum standards for completion/graduation, placement and/or passage rate on the applicable licensing examination, the school will be required to develop and implement a plan of corrective action approved by the Secretary. The corrective action plan will be considered to be successful if the program meets the minimum performance criteria when it is reevaluated with the submittal of the following year's annual report.

If the corrective actions of a school fail to bring the program's rate of completion/graduation, placement, and/or passage on the licensing examination into compliance with minimum standards as reflected in the school's next annual report, a notice of deficiency will be issued to the school. As in the case of all notices of deficiencies, the school will be afforded the opportunity either to take corrective action as prescribed by the Secretary, or to dispute the Secretary's findings through a formal hearing process.

VII. GUARANTY STUDENT TUITION FUND

A. Statutory Authority:

The Guaranty Student Tuition Fund is established by **Section 11-203 (d) of the Education Article of the Annotated Code of Maryland**. The law states:

Guaranty fund for private career schools -- (1) By rule and regulation, the Commission may create and provide for the operation of a guaranty fund for private career schools.

(2)(i) The Fund shall be used:

1. To reimburse any student at a private career school who is entitled to a refund of tuition and fees because the institution has failed to perform faithfully any agreement or contract with the student or failed to comply with any provision of this article; or

2. For any other function directly related to the original purpose of the fund deemed appropriate by the Secretary.

(3)(i) Each private career school that is required to obtain a certificate of approval shall pay an annual fee into the fund.

(ii) The Commission shall determine the amount of the fee based on the probable amount of money needed for the fund for each fiscal year. If the moneys in the guaranty fund are insufficient to satisfy duly authorized claims, the participating institutions may be reassessed and shall pay the additional amounts required.

(iii) The Commission may not issue a certificate of approval to, and shall revoke any certificate of approval previously issued to, an institution that fails to pay any annual fee or reassessment.

B. Policies and Procedures Regarding the Guaranty Student Tuition Fund:

The regulations which implement the law and establish the structure for the Fund appear in **Section 13B.01.01.18 of the Code of Maryland Regulations (COMAR)**. As stated in **Section 13B.01.01.18C of the COMAR**:

The purpose of the Fund is to:

(1) Reimburse a student who is entitled to a refund of tuition and fees because the institution has failed to:

(a) Perform faithfully an agreement or contract with the student, or

(b) Comply with any provision of Education Article, Title 11, Annotated Code of Maryland, or COMAR Title 13B; or

(2) Perform any other function directly related to the original purpose of the Fund considered appropriate by the Secretary.

Eligible students may submit a claim against the Fund using the Guaranty Student Tuition Fund Claim Form. A SAMPLE which appears as **APPENDIX 13**.

In evaluating claims, the Commission staff will review both the documentation provided by the student as part of the claim form and the documents provided by the school to ascertain the accuracy of the claims.

SECTION 13B.01.01.18H of COMAR outlines the areas of consideration in the payment of the claim. This Section states:

Claims against the Fund may be paid in whole or in part, taking into consideration the:

- (1) Amount available and likely to become available to the Fund for payments of claims;*
- (2) Size and number of claims likely to be presented in the future;*
- (3) Size and number of claims caused by the cessation of operation of an institution;*
- (4) Amounts of reimbursement of claims in the past;*
- (5) Availability to the claimant of a transfer program.*

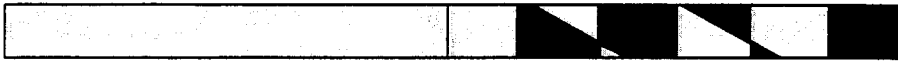
The Fund resources will be allocated to claims related to the costs of tuition and related fees only. The registration, application and enrollment fees and the charges for books and materials are not subject to reimbursement from the Fund resources. If the student's financial aid package included funds for such items as living expenses and transportation, the student remains solely liable for that portion of his/her debt.

The Fund resources will be used to reimburse the moneys paid directly by the student for tuition and related fees. If the student's financial aid package included loans (Stafford, SLS, Perkins Loans), **Section 13B.01.01.18K(5) of COMAR** states that payment will be made to the lender. This Section states:

In the case of a student who was a recipient of a loan to attend a school which closes, payment from the Fund shall first be made to the lender of financial aid funds to that student, to repay the student's indebtedness to the lender for that portion of the indebtedness that pertains to tuition and fees.

The information concerning the claim process should be provided to students as part of the package prepared by the Commission staff when a school closes.

Originally adopted September 17, 1991
Revised October 17, 1991 and September 21, 1999.



Parris N. Glendening
Governor

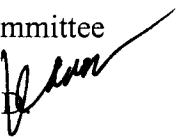
John J. Oliver, Jr.
Chairman

Karen R. Johnson
Secretary of Higher Education

MEMORANDUM

DATE: March 13, 2002

TO: Education Policy Committee

FROM: Karen R. Johnson, J.D. 

STAFF: Dr. John A. Sabatini, Jr.

SUBJECT: Assessment of Teacher Education Programs (Preliminary Report)

The Maryland State Plan for Postsecondary Education and the Maryland State Department of Education Strategic Plan identify the Redesign of Teacher Education as a major priority. To address this priority, the Maryland Higher Education Commission and the Maryland State Department of Education engaged Dr. George Funaro as an outside consultant, to review the status of the State's Teacher Education Redesign program and its implementation. The review focused on the academic foundation and clinical internship requirements that teacher candidates must complete for initial certification. Dr. Funaro had two major responsibilities: (1) a review of all written materials submitted by institutions with State-approved teacher preparation programs and, when necessary, (2) an on-site visit to the campus to discuss these materials and the implementation of Redesign.

Dr. Funaro will provide the Education Policy Committee with an overview of his findings, including recommendations to strengthen teacher education programs in Maryland consistent with the "Redesign."

RECOMMENDATION: It is recommended that the Education Policy Committee recommend to the Maryland Higher Education Commission that the final report be forwarded to the K-16 Leadership Council and to the presidents and deans of education for information. It is further recommended that the Maryland Higher Education Commission appoint a strategic planning work group to develop implementation strategies appropriate to the observations and recommendations contained in the final report.



MEMORANDUM

Parris N. Glendening
Governor

John J. Oliver, Jr.
Chairman

Karen R. Johnson
Secretary of Higher Education

DATE: March 13, 2002

TO: Education Policy Committee

FROM: Karen R. Johnson, J.D.

STAFF: Dr. John A. Sabatini, Jr.

SUBJECT: Collaborative Doctoral Programs (Business & Education)

Campus representatives will provide an overview on two collaborative doctoral programs approved by the Maryland Higher Education Commission in April 2001. The first discussion will describe the status of the collaborative doctorate in education offered jointly by Bowie State University (Bowie), University of Maryland, College Park (UMCP), Morgan State University (Morgan), and the University of Maryland Eastern Shore (UMES), which is the newest partner in the collaborative. The second discussion will describe the status of the cooperative doctoral program in business with the University of Baltimore (UB) and Morgan.

Collaborative Doctorate in Education

On April 24, 2001, the Commission approved a strategic plan for Bowie, UMCP, and Morgan to respond specifically to underserved regions in the State. The purpose of this collaborative doctorate is to develop the advanced knowledge and leadership skills necessary for meeting the challenges of reforming, redesigning, and restructuring education across the educational continuum, focusing on an approach that utilizes school-based inquiry and field-based perspectives. The Maryland Education Leadership Collaborative (MELC) was formed to administer this collaborative doctorate in education. The deans of education from the participating institutions will discuss the challenges and opportunities for offering this program in western Maryland, northern Baltimore, and the Eastern Shore.

Cooperative Program in Business

Consistent with the terms of the agreement approved by the Commission, Morgan offers the doctorate of philosophy (Ph.D.) in Business Administration while UB offers the Master's in Business Administration (MBA). The purpose of this cooperative agreement is to expand the educational opportunities for graduate and professional students at these institutions and the Baltimore region. Among other things, this agreement between Morgan and UB encourages collaboration in the areas of faculty exchange and curriculum development, as well as applying jointly for external funding. The deans of business from the participating universities will discuss the status of the cooperative program in business.

RECOMMENDATION: This item is for information only.



Parris N. Glendening
Governor

John J. Oliver, Jr.
Chairman

Karen R. Johnson
Secretary of Higher Education

MEMORANDUM

DATE: March 13, 2002

TO: Education Policy Committee

FROM: Karen R. Johnson, J.D. STAFF: Judy Hendrickson

SUBJECT: Overview of Maryland Private Career Schools

Attached is an overview of Maryland private career schools that includes the following topics:

- Definition of a Private Career School
- Purpose
- Overview of Private Career Schools – FY 2001 Data
- Profile of Private Career School Segment – Data Summary
- Continuous Quality Improvement

The role of the private career school sector in postsecondary education is illustrated by the data reported in Figures 1-12 of Appendix 1. Included are data for FY 2001 and trend data for a 5-year period from FY 1997 through FY 2001. Private career schools reported the following data in their 2001 Annual Reports to the Maryland Higher Education Commission:

Number of Private Career Schools	118
Total Enrollment	23,344
Total Gross Tuition Revenue	\$44,146,243
Total Federal Financial Aid (Title IV) Revenue	\$ 22,867,900 (52% of total gross tuition revenue)
Performance of Private Career Schools:	
• Completion Rate	70%
• Placement Rate (excluding real estate)	59%

RECOMMENDATION: This item is for information only.

MARYLAND PRIVATE CAREER SCHOOLS

MARCH 13, 2002

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MARYLAND PRIVATE CAREER SCHOOLS

DEFINITION

A “private career school” is defined in Education Article, Title 10 of the Annotated Code of Maryland as:

“A privately owned and operated institution of postsecondary education, other than an institution of higher education, that furnishes or offers to furnish programs, whether requiring a payment of tuition or a fee, for the purpose of training, retraining, or upgrading individuals for gainful employment as skilled or semiskilled workers or technicians in recognized occupations or in new and emerging occupations.”

PURPOSE

The distinct role of private career schools is described in Section 13B.01.01C of the Code of Maryland Regulations as follows:

“The State recognizes the special nature of the private career school sector of postsecondary education which provides a diversity of programs in occupational and technical fields. The diversity of programs is both desirable and essential in serving the wide range of occupational interests of public constituencies. The presence of these institutions promotes a competitive spirit which can enhance the quality of education. The sector broadens access by providing an element of choice, making available to students a range of educational opportunities within the scope of the student’s talents and aspirations.”

OVERVIEW OF PRIVATE CAREER SCHOOLS -- FY 2001 DATA

Private career schools reported the following data in their 2001 Annual Reports to the Maryland Higher Education Commission:

Number of Private Career Schools	118
Total Enrollment	23,344
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	(52% of total gross tuition revenue)
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• Completion Rate	70%
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PROFILE OF PRIVATE CAREER SCHOOL SEGMENT – DATA SUMMARY

The distinct role of the private career school sector in postsecondary education is illustrated by the data reported in Figures 1-12 of Appendix 1 and highlighted below. Included are data for FY 2001 and trend data for a 5-year period from FY 1997 through FY 2001.

- In FY 2001, 118 approved private career schools operated in Maryland. The number of schools fluctuates from year to year depending upon the number of school openings and closures. (Appendix 1, Figures 1-2)
- Private career schools provide relatively short, concentrated career programs that generally involve extensive hands-on training. The training is designed to provide the skills necessary for employment.
- Over 200 programs are offered in a diverse array of career fields to include:

Type of Programs	
Allied Health	Massage
Auto & Diesel Mechanics	Montessori Teacher Training
Barber	Real Estate
Cosmetology, Esthetics, & Make-up	Recording
Computer & Electronics	Tax Preparation
Dog Grooming	Travel
Drafting	Truck Driving
Heating, Air Conditioning, & Refrigeration	
Other: (Aviation, Acupuncture, Bartending, Broadcasting, Cooking, Fine Arts, Hazardous Materials, Polygraph, Welding) ¹	

- More than 20,000 students enroll annually in private career schools. Enrollments increased by 6% (1,280 students) from FY 1997 to FY 2001. (Appendix 1, Figure 3)

¹ Other includes: types of training offered by a single private career school.

- Changes in student enrollments reflect shifts in occupational demand. Enrollments in allied health schools continue to rise. By contrast, enrollments in travel programs have declined by 82% from FY 1997 to FY 2001 as a result of a shrinking demand for travel agents and the closure of 4 of the 6 travel schools. (Appendix 1, Figure 4)
- Private career schools are responding to changing demands for trained Information Technology (IT) workers. From FY 1997 to FY 2001, the number of approved computer/electronics schools increased by 177% (from 9 to 25 schools). In addition, there are 13 new school applications from those seeking approval to offer computer programs.
- Over 100 new computer programs were approved to be offered by private career schools during the 3-year period of FY 1999 through FY 2001. Most of these programs prepare graduates for industry certifications (e.g. A+, Network +, Microsoft Certified Systems Engineer). To ensure that programs meet the training needs of employers, the Technology Council of Maryland established a Private Career School Curriculum Assessment Committee with representatives from 8 prominent high tech companies who review the curriculum of all computer/technology programs proposed by new and approved private career schools.
- School closures significantly impact student enrollments. From FY 1997 through FY 2001, 13 schools precipitously closed without completing the training of more than 880 enrolled students. This included 3 large computer schools (Computer Learning Center, Technical Education Center, and Advanced Career Training) and 9 cosmetology schools. Four (4) of these 13 schools were cited by the Commission for gross violations of minimum State standards. The owners and operators of one school subsequently were convicted of Federal financial aid fraud and abuse. (Appendix 1, Figure 5)
- Enrollments were largest in real estate schools and computer/electronics schools in FY 2001. Computer/electronics schools generated the largest tuition revenues in FY 2001. The largest number of schools offered programs in cosmetology, computer/electronics, and real estate. (Appendix 1, Figures 6-9)

Leading Types of Schools						
Type of Schools	Enrollments		Schools		Tuition Revenue	
	#	%	#	%	#	%
Real Estate	6,163	26%	25	21%	\$566,781	2%
Computer/Electronics	4,788	21%	25	21%	\$8,503,206	19%
Cosmetology	2,385	10%	27	23%	\$6,676,546	15%
Allied Health	2,351	10%	11	9%	\$8,408,723	19%

- A 70% statewide average completion rate was reported for all private career schools in FY 2001. The program completion rates ranged from a high of 83% for truck driving schools to a low of 62% for cosmetology schools that offer longer programs (1500 clock hours). Completion rates for computer/electronic schools increased to 75% in FY 2001 as a result of a shift to shorter programs that prepare students for computer industry certifications. (Appendix 1, Figure 10)
- A 59% statewide average employment rate was reported in FY 2001 for all private career schools except real estate schools. Employment rates of 79% and 78% were reported for truck driving schools and travel schools, respectively. The average employment rate for computer/electronic schools declined significantly with the addition of numerous new schools. (Appendix 1, Figures 10-11)
- The size of private career schools varies. The largest enrollments and revenues are concentrated in a relatively few schools. Nine (9) of the 118 schools reported over \$1,000,000 in gross tuition revenue in FY 2001. Seven of these 9 schools (78%) participate in Title IV Federal Financial Aid. By contrast, 54 schools (46%) reported a gross tuition revenue of less than \$100,000 in FY 2001. (Appendix 1, Figure 12)
- Twenty-five percent (25%) of all private career schools were accredited and participated in Title IV Federal Financial Aid in FY 2001. Schools that participate in Federal Financial Aid generally have the larger student enrollments and revenue. (Appendix 1, Figure 12)
- The Jack F. Tolbert Memorial Grant Program is the only State scholarship program offered exclusively to students attending private career schools. Private career schools are not eligible to participate in most of the State's scholarship programs, including the Science and Technology Scholarship, the Hope Scholarship, the Educational Assistance Grant, and the Guaranteed Access Grant.

CONTINUOUS QUALITY IMPROVEMENT

Commission staff will be working in collaboration with private career schools and others to address the pressing need for:

1. Minimum standards for instruction delivered through distance education by private career schools; and
2. Revised policies pertaining to financial guarantees.

Distance Education Standards

Currently, Commission staff is chairing a national committee charged with developing model standards for distance education provided by private postsecondary career schools.¹ Commission staff also will work with Maryland private career schools and others to draft distance education standards tailored for private career schools operating in Maryland.

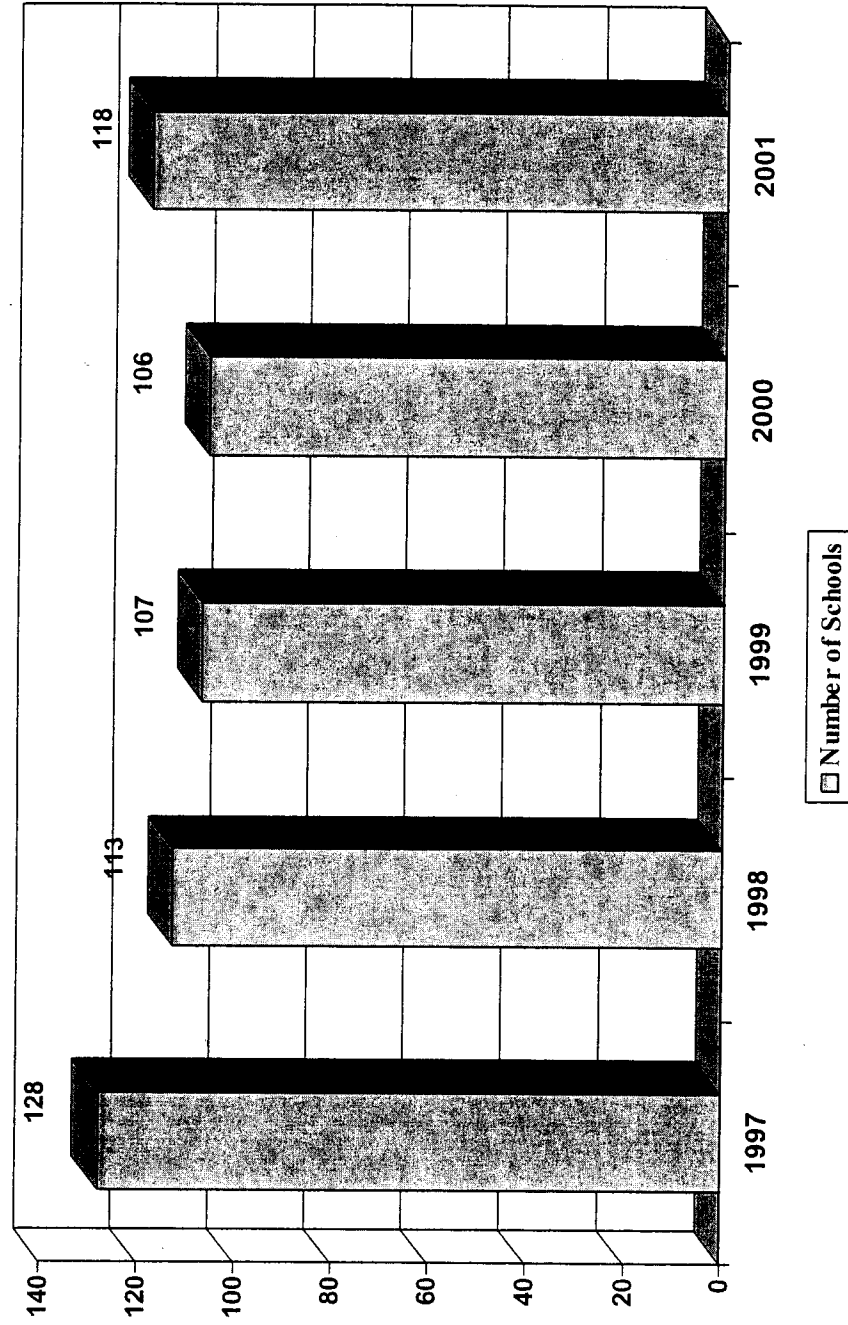
Policies Pertaining to Financial Guarantees

Current Commission policy relative to financial guarantees warrants review in light of an expanding reliance on private student loans and recent private career school closures². The possible need for financial guarantees for all schools and the amount of the required financial guarantees should be revisited. Current Commission policy does not require all schools to maintain a financial guarantee, and those schools with guarantees are only required to obtain a financial guarantee sufficient to cover a portion of the schools' tuition liability.

¹ The National Association of State Administrators and Supervisors of Private Schools (NASASPS) is a national association of state regulators of private schools that established a committee to address the need for minimum standards for distance education and propose standards for possible adoption by states.

² In 2001, the following 4 computer schools closed without completing the training of over 500 enrolled students: (1) Computer Learning Center, (2) Fleet Business School, (3) Delta Computer Education – Rockville, and (4) Delta Computer Education – Silver Spring.

**5 Year Trends in Number of Private Career Schools
FY 1997 – FY 2001**



Source: Private Career School Annual Reports

Trends in Number of Private Career Schools -- By School Type
(FY 1997 -- FY 2001)

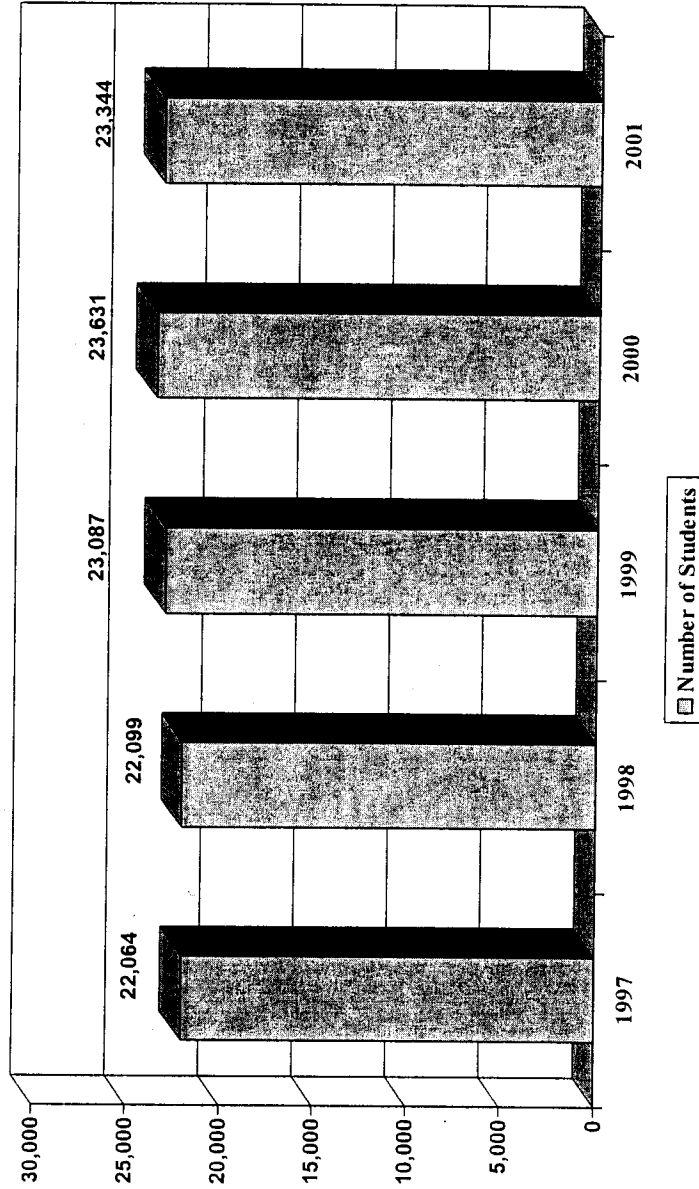
School Type	1997	1998	1999	2000	2001
Allied Health	13	11	11	11	11
Barber	5	5	5	5	5
Computer/Electronics (1)	9	8	8	11	25
Cosmetology	34	31	30	27	27
Real Estate	34	29	28	27	25
Travel	5	5	2	2	2
Truck Driving	3	2	2	2	2
Other (2)	25	22	21	21	21
Total	128	113	107	106	118

(1) Includes business and drafting schools.

(2) Other includes: Aviation, Bartending, Broadcasting, Cooking, Dog Grooming, Electrolgy, Fine Arts and Modeling, Hazardous Materials, Private Investigation, Massage, Mechanics, Montessori Teacher Training, Polygraph, Recording, Tax Preparation, and Trades Schools.

Source: MHEC Private Career School Annual Reports

**5 Year Trends in Enrollment in Private Career Schools
(FY 1997 -- FY 2001)**



Source: Private Career School Annual Reports

Trends in Enrollment in Private Career Schools -- By School Type
(FY 1997 -- FY 2001)

School Type	1997	1998	1999	2000	2001
Allied Health	2,135	2,089	2,169	2,232	2,351
Barber	437	433	476	413	398
Computer/Electronics (1)	4,670	4,979	4,942	4,752	4,788
Cosmetology	3,640	3,237	2,890	2,650	2,385
Real Estate	4,218	5,027	5,758	6,490	6,163
Travel	291	249	61	27	27
Truck Driving	1,347	822	901	805	887
Other (2)	5,326	5,263	5,890	6,262	6,345
Total	22,064	22,099	23,087	23,631	23,344

(1) Includes business and drafting schools.

(2) Other includes: Aviation, Bartending, Broadcasting, Cooking, Dog Grooming, Electrology, Fine Arts and Modeling, Hazardous Materials, Private Investigation, Massage, Mechanics, Montessori Teacher Training, Polygraph, Recording, Tax Preparation, and Trades Schools.

Precipitous Closures of Private Career Schools (FY 1997 -- FY 2001)

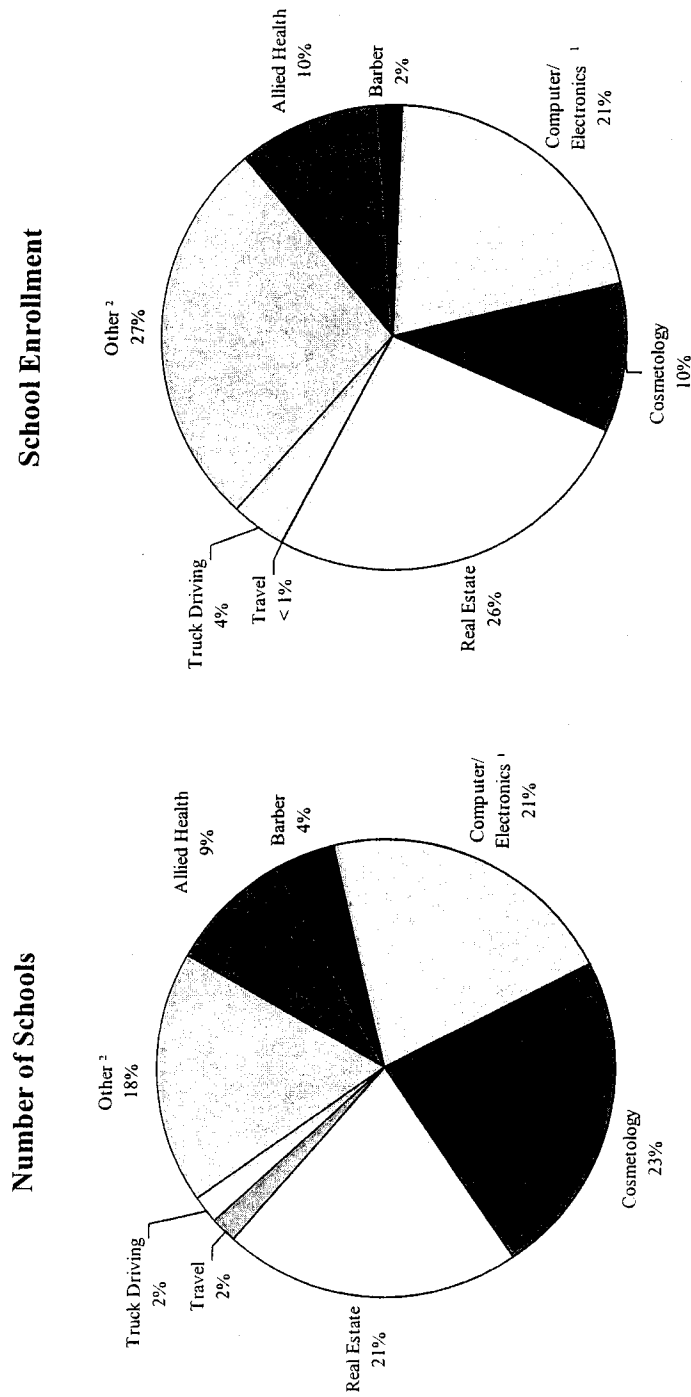
(Listing of schools that closed before completing the training of all currently enrolled students)

Closed Schools	Close Date	# Students Enrolled	Accredited Schools	Federal Loans (1)	Teach Out (2)	Financial Guarantee
Computer Learning Center	01/22/01	327	yes	yes	no	yes
Robert's Institute of Hair Design - Bel Air	03/16/00	32	yes	yes	yes	
Robert's Institute of Hair Design - Severna Park	03/16/00	40	yes	yes	yes	
Charming Nail School	09/10/98	NR	no	no	no	yes
Northwest Beauty	08/00/98	17	yes	no	yes	
Professional Beauty Acad. of Towson	06/17/98	4	no	no	yes	yes
McEllis Training Institute	03/28/98	NR	no	no	yes	yes
Advanced Career Training	02/20/98	187	yes	no	partial - 83	
Technical Education Center	10/21/97	177	yes	yes	partial - 3	
Robert's Institute of Hair Design - LP	08/06/97	19	yes	some	no	
Rockville Beauty School	05/06/97	28	yes	some	partial - 17	
Creative Nails Institute	02/03/97	NR	no	no	no	yes
BNT Academy	08/02/96	50	yes	some	yes	
13 PRECIPITOUSLY CLOSED SCHOOLS		>881	9	7	6 + 3 partial	5

(1) School participated in Title IV Federal Financial Aid loan programs.

(2) The Commission approved a "teach-out" to enable students of the closed school to transfer to other private career schools to complete their training

Private Career Schools by Type FY 2001

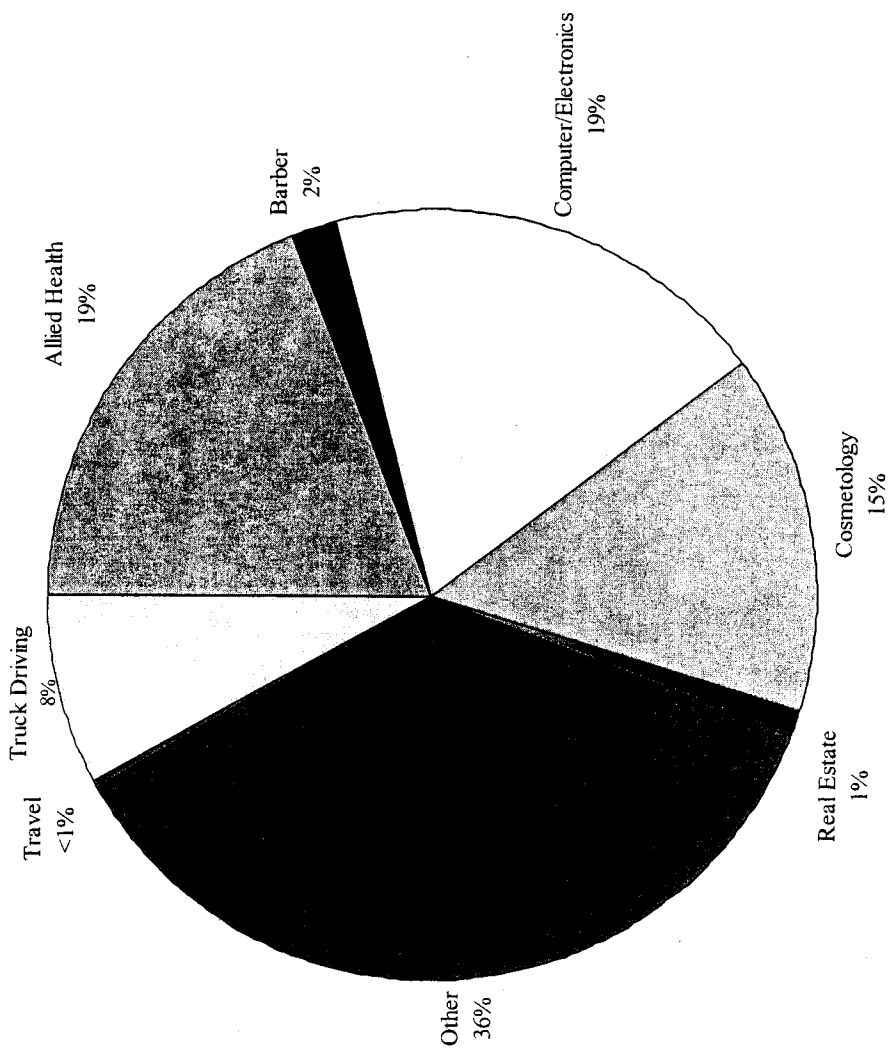


(1) Includes business and drafting schools.

(2) Includes: Aviation, Bartending, Broadcasting, Cooking, Dog Grooming, Fine Arts and Modeling, Hazardous Material, Massage, Mechanics, Montessori Teacher Training, Polygraph, Recording, Tax Preparation, and Trade Schools.

Source: Private Career School Annual Report

**Private Career Schools
Percentage of the Total Revenue Income by School Type
FY 2001**



Source: Private Career School Annual Reports

Number of Schools and Enrollment of Private Career Schools -- By School Type
FY 2001

School Type (1)	PCS		Student Enrollment (2)	
	#	% of Total	#	% of Total
Allied Health	11	9%	2,351	10%
Barber	5	4%	398	2%
Computer/Electronics (3)	25	21%	4,788	21%
Cosmetology	27	23%	2,385	10%
Real Estate	25	21%	6,163	26%
Travel	2	2%	27	0%
Truck Driving	2	2%	887	4%
Other (4)	21	18%	6,345	27%
Total	118	100%	23,344	100%

(1) Some schools offer more than one type of program. Schools are categorized by the type of program with the majority enrollment.

(2) Represents students enrolled from June 30, 2000 - July 1, 2001.

(3) Includes business and drafting schools.

(4) Other includes: Aviation, Bartending, Broadcasting, Cooking, Dog Grooming, Fine Arts and Modeling, Hazardous Materials, Massage, Mechanics, Montessori Teacher Training, Polygraph, Recording, Tax Preparation, and Trades Schools.

Source: MHEC Private Career School Annual Reports

Tuition Revenue of Private Career Schools -- By School Type **FY 2001**

School Type (1)	Tuition	Revenue
	\$	% of Total
Other (2)	\$15,980,587	36%
Computer/Electronics (3)	\$8,503,206	19%
Cosmetology	\$6,676,546	15%
Allied Health	\$8,408,723	19%
Truck Driving	\$3,243,392	8%
Barber	\$748,158	2%
Real Estate	\$566,781	2%
Travel	\$18,850	< 1%
Total	\$44,146,243	100%

(1) Some schools offer more than one type of program. Schools are categorized by the type of program with the majority enrollment.

(2) Other includes: Aviation, Bartending, Broadcasting, Cooking, Dog Grooming, Fine Arts and Modeling, Hazardous Materials, Private Investigation, Massage, Mechanics, Montessori Teacher Training, Polygraph, Recording, Tax Preparation, and Trade Schools.

(3) Includes business and drafting schools.

Source: MIEC Private Career School Annual Reports

Accountability Measures
Completion Rates, Employment Rates, and License Pass Rates of Private Career Schools
By School Type
FY 2001

School Type (1)	Completion		Employment		License Pass	
	Rate	Rate	Rate	Rate	Rate (2)	Rate (2)
Allied Health	64%		69%			
Barber	68%		(3)			68%
Computer/Electronics (4)	75%		53%			
Cosmetology	62%		66%		67%, 66%, 79% (5)	
Real Estate	68%				56% & 49% (6)	
Travel	67%		78%			
Truck Driving	83%		79%		69%	
Other (7)	73%		55%			
Total	70%		59%			

(1) Some schools offer more than one type of program. Schools are categorized by the type of program with the majority enrollment..

(2) Overall pass rate on any required licensing exams.

(3) Employment figures were provided by less than half the barber schools.

(4) Includes business and drafting schools.

(5) Cosmetology Exam overall pass rate = 67%; Manicuring Exam overall pass rate = 66%; Esthetics Exam pass rate = 79%.

(6) State Exam pass rate = 56%; National Exam pass rate = 49%.

(7) Other includes; Aviation, Bartending, Broadcasting, Cooking, Dog Grooming, Fine Arts and Modeling, Hazardous Materials, Massage, Mechanics, Montessori Teacher Training, Polygraph, Recording, Tax Preparation, and Trades Schools.

Trends in Employment Rates of Private Career School -- By School Type (FY 1997-FY 2001)

	Number Employed					Percent Employed				
	1997	1998	1999	2000	2001	1997	1998	1999	2000	2001
Allied Health	490	639	557	568	645	45%	62%	57%	71%	69%
Barber	86	(1)	(1)	(1)	(1)	40%	(1)	(1)	(1)	(1)
Computer/Electronics (2)	855	1,025	1,231	1,244	1,149	73%	78%	74%	60%	53%
Cosmetology	951	822	741	593	566	67%	65%	69%	60%	66%
Travel	200	87	38	11	14	84%	41%	75%	58%	78%
Truck Driving	384	356	379	370	431	54%	80%	75%	76%	79%
Other (3)	1,188	1,464	1,842	2,053	1,757	48%	57%	59%	59%	55%
Statewide (4)	4,154	4,393	4,788	4,839	4,562	57%	64%	65%	63%	59%

(1) Employment figures were provided by less than half of the barber schools.

(2) Includes business and drafting schools.

(3) Other includes: Aviation, Bartending, Broadcasting, Cooking, Dog Grooming, Electrolgy, Fine Arts and Modeling, Hazardous Materials Private Investigation, Massage, Mechanics, Montessori Teacher Training, Polygraph, Recording, Tax Preparation, and Trades Schools.

(4) Real Estate not included in total numbers employed or in percent employed Statewide.

Source: MHEC Private Career School Annual Reports

**Tuition Revenue of Private Career Schools and Participation in Title IV Federal Financial Aid
FY 2001**

Annual Tuition Revenue	All Schools	Schools with Federal Aid (1)
	#	#
\$1,000,000 and above	9	7
\$900,000 - \$999,999	2	2
\$800,000 - \$899,999	1	0
\$700,000 - \$799,999	3	2
\$600,000 - \$699,999	2	0
\$500,000 - \$499,999	1	0
\$400,000 - \$399,999	2	1
\$300,000 - \$299,999	5	2
\$200,000 - \$199,999	12	4
\$100,000 - \$99,999	18	6
Less than \$100,000	54	1
Revenue Not Reported	9	5
Total	118	30

(1) Schools participating in Title IV Federal Financial Aid.



Parris N. Glendening
Governor

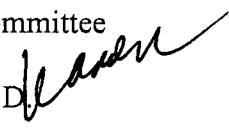
MEMORANDUM

John J. Oliver, Jr.
Chairman

Karen R. Johnson
Secretary of Higher Education

DATE: March 13, 2002

TO: Education Policy Committee

FROM: Karen R. Johnson, J.D. 

STAFF: Dr. John A. Sabatini, Jr.
Dr. David E. Sumler

SUBJECT: Maryland-Estonia Cooperation Update

On March 4, 1999, the Maryland National Guard hosted the first workshop on a proposed Maryland-Estonia Higher Education Partnership, building on the successful example of the *Partnership for Peace* program of military-to-military cooperation. To launch the higher education partnership, a group of 30 Maryland educators and State officials, led by Lieutenant Governor Kathleen Kennedy Townsend, visited Tallinn and Tartu on May 19-21, 1999, to meet with their Estonian counterparts to discuss areas of potential cooperation. Following that visit, the Maryland educators have held several meetings to develop specific proposals for consideration by the leaders of Estonian higher education institutions, the Estonian Department of Higher Education, and the political leaders of Estonia. These ideas have been explored in a meeting held at the Estonian Embassy in December 1999 and in a two and a half hour live videoconference between Maryland and Estonian educators on March 30, 2000. Since then, some of the proposed projects have been implemented, thanks to travel support provided by the *Partnership for Peace* program of the National Guard Bureau and the Maryland National Guard.

During the summer of 2001, representatives of a number of colleges and universities, the Maryland National Guard, and the Maryland Higher Education Commission formed the Maryland-Estonia Educational Consortium (MEEC). In October 2001, MEEC received a \$10,000 grant from the United States Embassy in Estonia to fund educational and cultural exchanges. An RFP was sent to all individuals who had been involved in the Maryland-Estonia project—25 individuals at 18 colleges and universities. Six grant proposals were received and thanks to a generous infusion of \$13,370 by the Maryland National Guard, all projects were funded. No State funds were expended for these grants.

Attached is a list of the projects funded.

RECOMMENDATION: This item is for information only.

MARYLAND-ESTONIA EDUCATIONAL CONSORTIUM

GRANTS 2002

Institution	Project	Description of Activity	Total Grants
College of Southern Maryland	Internationalizing the Business Curriculum	The grant will support the travel of 2 CSM faculty to Estonia and one faculty member of the Estonian Business School to CSM. The goal is to develop courses that could be taken online by students at either institution in the fields of business and economics.	\$5,800
College of Southern Maryland	Opsadi Folk Dancers	The grant will underwrite a one-day visit to Southern Maryland by the Opsadi Folk Dancers, a group of 22 Estonian school teachers. The Opsadi group is in the country to perform in Baltimore.	1,170
Garrett Community College	Tallinn Pedagogical University Transfer Articulation	The Grant will support the visit to Garrett Community College of Ms. Reet Kaani, International Relations Officer of Tallinn Pedagogical University to develop an articulation agreement between GCC and TPU. To date, 12 Estonian students have taken courses at GCC with 9 enrolled currently.	1,200
Montgomery College	Estonian IT College/Montgomery College Professional Exchange	This grant will allow the Rector and the Development Manager of the Estonian Information Technology Institute to visit Montgomery College to study the way MC relates to the IT industry.	4,750
University of Baltimore	Public Management Reform Institute/Baltic-American Studies Institute	This grant will support faculty travel for a summer residential institute conducted jointly by the UB School of Public Affairs, the Tallinn Pedagogical University and the Estonian Business School. The Institute will have a Baltimore component and a Tallinn (Estonia) component. This will also form the basis for a second conference in 2003 on Baltic-American Studies.	7,950
Harford Community College	Mediation: Maryland Style/Estonian Style	This grant will support an exchange in faculty between Harford Community College and the University of Tartu to develop linkages between the conflict resolution communities in Maryland and Estonia to contribute to a comparative study of state-sponsored conflict resolution as well as to the sharing of best practices.	2,500
			\$23,370

**MARYLAND HIGHER EDUCATION COMMISSION
MEETING DATES 2001-2002**

2001 August	Education Policy	10:00 a.m.	Wednesday - August 8
	Finance Policy	1:30 p.m.	Wednesday – August 15
September	Finance Policy	1:30 p.m.	Thursday – September 15
	Commission Meeting	1:00 p.m.	Wednesday – September 26 Cecil Community College
October	Education Policy	10:00 a.m.	Wednesday – October 10
	Finance Policy	1:30 p.m.	Thursday – October 11
November	Commission Meeting	1:00 p.m.	Wednesday – November 7 Md. Institute College of Art
December	Commission Retreat	5:00 p.m.	Tuesday – December 4
		8:00-5:00	Wednesday – December 5
2002 January	Education Policy	10:00 a.m.	Wednesday – January 16
February	Commission Meeting	1:00 p.m.	Tuesday – February 12 Bowie State University
March	Education Policy	10:00 a.m.	Wednesday – March 13
	Finance Policy	1:30 p.m.	Thursday – March 14
April	Commission Meeting	1:00 p.m.	Tuesday – April 23
May	Education Policy	10:00 a.m.	Wednesday – May 8
	Finance Policy	1:30 p.m.	Thursday – May 9
	Commission Retreat	8:00-5:00	Wednesday – May 15
June	Commission Meeting	1:00 p.m.	Wednesday – June 12 UM Biotechnology Institute